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THE TEACHING OF ECONOMICS IN LATIN AMERICA

Report of the Joint UNESCO/ECLA/OAS Mission with a Note by the secretariat

Note: This report is due to be published shortly by the Organization of American States. The present version is for limited distribution only as a "general" document for the Commission's ninth session.

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NOTE BY THE SECRETARIAT

The secretariat has pleasure in transmitting to the Governments members of the Commission a report on The teaching of economics in Latin America prepared by the Joint Mission appointed by the Economic Commission for Latin America (ECLA) itself, the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the Organization of American States (OAS). The present version, which has been revised by the members of the Mission, is being distributed only for the consideration of the Commission at its ninth session. In the course of 1961, a printed edition of the report will be published by one of the sponsoring organizations, and it will then be given the wide circulation which it merits.

Joint Mission of the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Economic Commission for Latin America (ECLA) and the Organization of American States (OAS) on the teaching of economics in Latin America

R E P O R T

submitted to the sponsoring organizations by Professors
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PREFACE

The present report is neither the first enquiry into the state of economic education in Latin America, nor - it is to be hoped - will it be the last. In fact it rides upon a kind of ground swell of discontent with the situation as it is. This wave of unrest at the academic treatment of economics reveals itself not only in statements and reports, but also in action. Here and there in many quarters, new teaching and research institutes, reorganized faculties of economics, new methods of teaching and new fields of instruction have made their appearance.

These restless stirrings have, of course, been observed by the international economic agencies, and they have asked themselves how they might assist the tendencies toward change to evolve more rapidly and beneficially. But before any specific steps could be taken, it seemed wise to attempt to scan the whole scene to discover what actually are the broad facts. Two agencies of the United Nations - the Economic Commission for Latin America (ECLA) and the Educational, Scientific and Cultural Organization (UNESCO) - and the organization of American States (OAS) joined forces to create the present Mission, which has conducted its survey during three months of 1960.

Members of the team, usually all together, have visited 10 countries in Latin America and 16 cities in which there are faculties of economics. We have attempted to ascertain the general situation of 44 departments of economics and research institutions, very largely through meetings with a number of the members at one time.[1/] But this kind of information directly from the source most immediately concerned has been supplemented by conferences with university rectors and faculty chairmen, with businessmen, with members or the directors of government agencies, with the officers and members of local organizations of economists, and with local representatives of international organizations. Mindful of the fact that universities exist for the sake of students, we also arranged to meet groups of students in order to see how things look to the "under dog"; the number of these meetings was, unfortunately, somewhat limited by university vacations.

1/ A list of universities and other institutions visited is given in annex A.

Despite the fact that the Mission sought to gather the maximum informatio from as representative sources as possible, it presents this report as a general characterization and a general analysis, pointing - it believes - rather clearly to certain desirable lines of action. The report does not pretend to be an exhaustive compendium of facts, and when specific faculties of economics are cited, this is by way of illustration in a given context and not by way of complete enumeration.

Furthermore the Mission must make another disclaimer. In the space of three months it is not possible to visit all or even most of the universities or to know all the facts relevant to the present theme. We have not been able, for example, to test whether the content of courses corresponds to names or catalogue descriptions; we have not been able to verify whether the profound convictions of faculty members always correspond to the facts. We have had to accept much by faith and inference. Making allowance for these limitations, however, we offer the report without apology, believing that its main lines of description and analysis will stand.

It would not be easy to exaggerate the warmth with which this Mission has been received by groups of economists all over Latin American or the generosity and hospitality of individual persons. While we have accepted these kindnesses as personal and have greatly enjoyed the amenities extended to us, we have interpreted this reception as a tribute to the importance of our undertaking.

To all of these officers, professors, and students of the universities and to the many economists outside the universities who concerned themselves with our enquiries, we extend our grateful thanks. We owe a particular debt to the officers and secretaries of ECLA Headquarters in Santiago, who made the numerous arrangements necessary for our extended travels, and who also undertook all the onerous work of typing, translating, and reproducing the report. Finally we express our sincere thanks to UNESCO, ECLA, and the OAS for the confidence they placed in us in entrusting this project to our hands. It is perhaps superfluous to add that the views expressed here are our own, not those of the international agencies.

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INTRODUCTION

The overall picture

Until the beginning of the present century, the teaching of economics in Latin America was confined to law schools, which invariably included a chair of economics and another of public finance. Such was the European tradition, the influence of which was preponderant in Latin America in this as in many other branches of university education. While the courses were not very advanced, they nevertheless served to promote the emergence of self-trained economists, who sometimes also went abroad for short periods to pursue higher studies.

In addition, there were commercial schools for the training of accountants, the curricula of which included a number of economic subjects. These, however, were institutes of intermediate or secondary, not of university, education.

In many countries, it was in such schools and courses that the present faculties of economics had their origin. In some instances, they were offshoots of the law faculties; in others, they were created by the raising of the schools of accountancy to university status, the degree conferred being consequently recognized as academic; and, lastly, there were cases in which these two possibilities were combined. But however they came into being, their purpose was to train economists, or, to quote the term in common use, "Doctors of Economics" (Doctores en Ciencias Económicas).

These origins had their effect on the lines of study pursued in the schools of economics. In the first place, the curricula were overburdened with legal subjects. Secondly, there was no clear line of demarcation between the professional training courses for economists and for accountants, the former usually representing a more advanced stage which entailed very few requirements - for example, the submission of a thesis.

It should be noted that the lack of tradition with respect to the economist's profession and training was the correlative of the lack of a market for economists. From this point of view, it was natural that the university should offer the incentive of a lucrative profession like accountancy, the social prestige of which was enhanced by the inclusion of

economics, statistics and mathematics in the curriculum, while there was also the possibility that in a few individual cases interest might be aroused in the study of subjects which, save in exceptional circumstances, offered no prospect of a professional career.

The progress achieved in economics, the wide range of opportunities for its practical application in both business life and national economic policy, and the problems linked to the development of Latin America, have now opened up a broad field of action for professional economists. In most countries there are adequate openings for good economists, not to mention the demand deriving from training centres and from the international organizations. The economist's mission is thus coming to be understood, and standards are being evolved in the matter of training.

The teaching of economics is nevertheless unsatisfactory in most schools. It is not so much a question of deficiencies peculiar to the initial stages of an undertaking, or to the special subject of economics; the defects have their roots in the systems of teaching and organization, and affect the Latin American university in general, as will be seen later.

In an inventory of the negative characteristics which are common to all or most of the faculties of economics, a distinction should be drawn between those representing features of Latin American university education that are observable in any of its branches, and those which relate specifically to the faculties of economics themselves.

Among the former, the following may be mentioned:

(1) Some of the schools are too large, and the result is generally a high rate of "academic wastage", costly both to society and to the individual concerned;

(2) Students who have completed their secondary studies are ipso facto eligible for admission to the schools of economics. This system of wholesale admission usually underlies the situation indicated in (1);

(3) Students do not devote an adequate proportion of their time and energy to their academic work. The full-time student is an exception;

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(4) The same is true of the teaching staff, the full-time professor being an exception also;

(5) Outmoded methods of teaching and promotion of students are still current, the former being limited to lecturing and the latter to an oral examination once a year on subjects drawn by lot. In some universities the so-called "free attendance" system prevails, i.e., attendance at lectures is not compulsory.

The negative characteristics peculiar to the faculties of economics would seem to be the following:

(6) Lack of a clear distinction between the professional training courses of the economist, the business administrator and the accountant;

(7) Insufficient research work, both on the part of the professorate and as a medium for the training of students;

(8) Study programmes which fail to assign enough importance to knowledge of the country's actual economic situation and of the related problems. Thus, chairs of agricultural economics seldom exist.

It should be noted that, except where this last point is concerned, weakness, inadequacy or lack of balance in the study programmes is not an outstanding defect. While there are still a few schools which do not keep up with the times, their number is decreasing, and the fact is that, in general, the programmes are satisfactory and well-balanced, and reflect awareness of the most recent advances in economics. Where a lack of balance is found, it derives chiefly from that want of a clear distinction between professional training courses to which attention was drawn in point (6); but this difficulty has been overcome in most faculties.

The negative characteristics enumerated above are not, of course, all to be found in any one school of economics. There are exceptions in every case, and all schools have made some progress, which is described in the relevant chapter.

/Difficulties encountered

Difficulties encountered

Attempts to modernize the schools of economics have met with difficulties varying in nature and extent. Thus, in some cases, by force of tradition, lecturing to large classes is still the only teaching method adopted, and is, moreover, the most compatible with the system under which the professor's sole academic activity consists in two or three hours of teaching weekly. Elsewhere, institutional factors have prevented or hindered reforms, as is the case in a country where the programming and organization of university courses in economics are the subject of national legislation, which means that any change must also be authorized by law.

Internal political factors may sometimes play a significant part. The increased participation of students in university administration has at times precluded the improvement of promotion and study systems in so far as the proposed reforms implied greater demands on the students and on their time. In other cases such difficulties have not arisen.

Of political significance also is the meaning attached to democracy in education when its principles are invoked against attempts at instituting selective admission of students, or in order to establish teaching systems deliberately designed to curtail the academic day, and time-tables which enable students to devote a major share of their time to other activities. The student who studies is thus sacrificed to the student who is gainfully employed.

The economic factor militates in more than one way against improvements in the study programme. For financial reasons, neither students nor professors can devote their full time to their academic work. Moreover, not every university is wealthy enough to grant fellowships to deserving students or to pay its teachers salaries which would free them from the need to engage in extra-university activities.

As has already been stated, there are good economists in Latin America. But they are not always available for university teaching because of their responsibilities in directing economic policy or the attractive opportunities offered them in private enterprise. There is thus a shortage of teachers of economics in a position to devote their full time to teaching.

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In this connexion, therefore, several vicious circles exist. It may be added that the removal of the conditions brought about by the systems hitherto prevailing will probably require considerable effort. For example, faculties which have unduly increased in size and now have thousands of students could not suddenly adopt modern methods and systems - even if they had both the will and the means to do so - without provoking serious political and social repercussions.

The foregoing description of the existing negative characteristics and of the factors impeding their removal may give an unduly pessimistic impression. It should therefore be reasserted that positive elements are to be found in most schools of economics and that in recent years good progress has been achieved. For instance, some schools do not admit more students than they are really able to receive, and have stiff entrance requirements; several have full-time professors and students; most of them now treat economics as a separate career; in some teaching and promotion systems are based on the most desirable techniques, and so forth. But it is also true that only exceptionally can all these four or five basic conditions be found in the same school.

An important fact, already mentioned, is the general recognition of the unsatisfactory state of the teaching of economics and of the action required in order to achieve substantial improvement. This accounts for the efforts being made in many parts of the region, as well as for some that fall outside the sphere of official educational policy, such as the special or post-graduate courses arranged by institutions other than universities in certain countries, and the training courses regularly offered by international agencies like the Economic Commission for Latin America (United Nations), the Inter-American Economic and Social Council (Organization of American States) and the Latin American Centre for Monetary Studies (International Monetary Fund).

Possible solutions

The Mission is convinced that university education in the basic subjects at high academic levels can only be satisfactorily provided if certain requisites are fulfilled, and that in default of these no authentic university can exist. The problem is one of choosing between alternatives,

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or, to state it in economic terms, deciding to which ends very limited means are to be applied. Supposing, for example, it is claimed in the name of democracy in university education that no one who has completed a secondary school course can be refused admission to the faculty, while at the same time recognition is accorded to the educational principle that no teacher should have to cope with classes of more than a certain number of students - say between 50 and 100. If, as sometimes happens, there are thousands of would-be entrants, it will be impossible at once to ahere to such a principle of education and conform to such a type of university democracy, unless a considerable number of teachers is available, together with plenty of space and material facilities, libraries several times larger than those existing at present, and so on. All this would appear remote indeed from economic possibilities in the near future. A choice, then, must be made; and if it is felt preferable to maintain the system of unrestricted and non-selective admission, the hope of raising the level of teaching to the high standard attained in the more advanced centres must be abandoned. Similar dilemmas have to be confronted in other aspects of Latin American university education. To mention only one of the most important, the desirability of the students' devoting their full time to their academic work is in conflict with the fact that most of them are obliged to take on some remunerative employment.

Each of the chapters that follow concludes with a few recommendations relating to the practical measures that might be adopted to improve the teaching of economics in Latin America. The use of the word "practical" reflects the endeavour made to bear in mind the difficulties and obstacles to which attention has just been drawn and which would stand in the way of radical reforms. In some respects, of course, such reforms are inevitable; in others, on the contrary, changes can be gradually introduced, while in yet others palliatives may be found to fit the case.

The recommendations formulated by the Mission may be summed up as follows:

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(1) The student body

Admission should be on a selective basis, by examination or otherwise, and the number of students kept within the capacity of the school. The student should devote full time to his academic work. If this were not universally practicable for the time being, two shifts might be established, one in the daytime and one in the evenings, but in the case of the latter the course would have to be longer. For schools which, despite the limits set, still found themselves with a great many students, and also as a temporary solution for such faculties as could not for the moment set any limits at all, the best thing might be for a small number - between 20 and 50, for example - to be selected to study on a full-time basis. A good scholarship system is the indispensable complement of this solution and of any "full-time student" régime.

(2) The professorate

A good University needs full-time professors, not only so that the students can be given proper and constant attention but in order that progress may be made in scientific and technical knowledge of the national and world situation. A system of remuneration which will permit the attainment of this objective should be built up. The first stage might be to establish the full-time professor for the basic subjects, and endeavour to increase - to half a day, for instance - the number of hours given by the part-time staff. The organization of a system of fellowships abroad, to enable young professors to increase their qualifications, is also highly desirable.

(3) Programmes of study

An essential step, which should be taken at the earliest possible moment by faculties that have not yet done so, is that of separating the economics course from training for accountancy or management. Curricula should be simplified, and given greater flexibility by the establishment of a few optional subjects. Programmes and curricula should lay more stress on knowledge of the national situation, and the study of such topics as national income and economic development should be intensified.

/(4) Teaching

(4) Teaching and promotion methods

The purely theoretical and one-sided lecturing method should be replaced by a more practical type of class in which the students themselves take an active part, and attendance should be made compulsory. The training of the students needs to be intensified by means of small discussion groups, research projects and studies, and promotion should be accorded on the basis of periodic tests and final examinations, as far as possible written rather than oral. A compulsory reading-list should be set for every subject.

(5) Teaching material

There is an urgent need to organize and enlarge libraries, especially where scientific periodicals are concerned. A sufficient number of copies of the texts in most common use should be available.

(6) Courses of higher studies

It will hardly be possible for every university to organize high-level post-graduate courses. A possible solution would be to establish regional centres by the united effort of several universities and countries, advantage being taken, furthermore, of the financial and human resources that could be contributed by international bodies. On the other hand, the organization of refresher courses for professors and graduates at regular intervals would not make excessive demands on the universities.

None of the measures proposed would constitute a solution if adopted in isolation; what is more, any one of them might be a complete failure unless complemented by others. Thus, full-time students will not be much better trained unless they have the help of good full-time professors; group work will be pointless unless sufficient bibliographical material is available; and so forth.

The Mission understands that for a reform of such magnitude very substantial financial resources will be required, especially in cases where everything is yet to be done. But it also feels that a sound economic development policy cannot under-rate educational investment in the training of the economists that the country needs. Again, the

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Mission does not consider free university education for all either wise or democratic. Those who can afford it should pay for their course; this would help to solve the problem of scholarships for those who could make no payment, on the lines that are being tried out in some universities.

Lastly, the best contribution to the progress of the teaching of economics - and indeed, of Latin American university education in general - would be the elimination of politics: both the internal political movements which so often group professors and students alike under opposing banners, and those of external origin especially when they derive from dictatorships, the influence of which has been ruinous to the universities. The work of teaching and learning can prosper only in an atmosphere of freedom of thought and speech, and this is particularly true of economics.

Help from abroad

The emphasis of this report has been laid upon reforms in the teaching of economics which could, in the course of time, be carried through by the Latin American countries themselves. Basically, and in the long run, the improvement of the quality of the professional economists must - like most of the other aspects of economic development - come from within these nations.

Still, it is fairly evident that it will be a laborious and time-consuming process to move towards this goal while dealing with such vast numbers of undergraduates. As has been seen, it will require time to secure a proper selection of entering students, to provide enough financial aid to permit them to study full time, to secure and remunerate full-time faculty members of really high quality, to carry through the desirable curricular reforms, and to orient the teaching methods toward intensive and individual rather than superficial and mass education.

Meantime, international organizations and foreign philanthropic foundations could do a great deal to improve economic education in Latin America. While their contribution would, in a sense, be marginal, it would nevertheless be of crucial significance. The important thing

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is to ensure a good start towards improvement, to give an upward fillip to a movement which could then be maintained from indigenous sources. If a crop of fifty good economists could be made available annually, there would be every reason to expect not only a surprising improvement in the standards of university departments of economics, but also a noticeable raising of the quality of economic policy in the continent generally. The present Mission believes that there are several promising fields for outside aid in the formation of good professional economists in Latin America. Any or all of the following lines of action would be very useful, and the Mission does not attempt to rank them in order of importance, since this will vary considerably from one country and from one phase of development to another.

1. A time-honoured form of external aid is the granting of fellowships to economists for study abroad. It would be desirable for more members of the faculties of economics to have the opportunity of studying in Europe or the United States and also for more of those who do obtain fellowships to be enabled to take the Ph. D. degree in place of being limited to a course of about one year.

2. The fellowships need not all be for foreign tenure however. International agencies or foreign foundations could provide some financial support for study in Latin American institutions, particularly if one or more regional post-graduate schools are built up. As an alternative to fellowships, it would be possible also to establish a rotating loan fund for students. Either the fellowship or the loan fund programme could be made available for a select few students to study in their own local universities or at a regional post-graduate school. But the number of Latin American universities offering first-rate teaching in economics is not large. If these financial aids were made applicable to local universities, it would first be necessary to ascertain that the curriculum, faculty, and teaching were likely to be of a character worthy of outside support.

/3. Another

3. Another possible channel of external aid, to be used on a basis of careful selection among universities and still more careful among persons, might be the subsidizing of a limited number of professorships in economics. This might become an important fulcrum for raising overall standards of professional training and performance, since the subsidized professor would presumably be of exemplary quality. This form of aid might prove particularly interesting if it meant that good full-time professors were available for the refresher courses which the faculties themselves might possibly organize for their own teaching staff.

4. One of the most interesting ideas which certain international organizations are currently debating is that of establishing a Latin American centre or school of higher studies in economics. In the view of the Mission, this may be one of the most important contributions to the progress of the study of economics in Latin America, always provided that the school is organized in conformity with certain basic principles.

The Mission feels that a centre of this kind should not be superimposed on the university system, but should operate in co-ordination with the existing university centres and aim, in principle, at the improvement of their teaching standards.
Regular courses should be held, on the basis of a programme of study and research to be completed in a minimum of two years. The teaching staff should be composed of equal numbers of Latin Americans and professors from other parts of the world, for reasons which include, inter alia, the desirability of giving priority to Latin American economic problems, excluding everything which might be open to criticism as imparting a foreign bias, and establishing permanent contact between Latin American professors and their colleagues in Europe and the United States.

The students should be graduates or professors of some Latin American university, should all hold fellowships, and should be selected by the projected centre itself, although in this last connexion it would be advisable for the centre to seek the collaboration of the universities.

/The other

The other requisites should be the same as those outlined by the Mission for any school of economics as regards full-time professors and students, limitation of the number of students on the roll, etc. But in this case the programme of studies acquires exceptional importance, and should be the object of careful consideration in order to ensure that the proposed centre offers really advanced instruction at a high academic level.

5. Finally, a promising field of endeavour for foreign support would be the preparation of translations of important works in other languages into Spanish and Portuguese. The foreign foundations might also wish to consider helping to finance the actual writing of books in certain fields of economics, in which the argument would be evolved in terms of the Latin American economies, and illustrative materials would be similarly selected. Frequently the mere translation of a foreign book still leaves the impression of remoteness from the Latin American scene.

6. Since there seems to be an inveterate tendency for Governments to attach greater importance to buildings than to books, the international agencies or foreign foundations might give thought to the provision of library funds.

7. As a part of the practical implementation of the two foregoing proposals, it might be desirable to finance a small committee of experts to work for a limited time on drawing up priority lists of books, journals, and articles for translation, recommending books which ought to be newly written and subjects with which these should deal, and listing some of the foreign books and journals which ought to be found in any really good economics library.

/Chapter I

Chapter I

THE STUDENT BODY: FULL-TIME AND PART TIME ADMISSION, SCHOLARSHIPS AND RATES OF ATTRITION

1. Admission of students

There can be no doubt that one of the primary causes of the poor quality of economic education in most Latin American countries is the general absence of selection of students entering the universities. With the exception of Brazil, Chile, Colombia, Costa Rica, Ecuador and Peru, most of the national universities admit all graduates of the preparatory schools, of whatever quality. There are other, independent causes at work which debase the quality of education; but a number of factors are really by-products of the flood of poorly qualified entering students. Thus, if numbers were selected and limited, a smaller staff of professors would suffice and it would be possible to hire more full-time professors, with a noticeable improvement in the quality of instruction. If numbers were limited, it would be more easily possible to initiate programmes of aid and scholarships, thus securing a larger proportion of full-time or day-time students. With smaller numbers, many improvements in the system of instruction and examination would be possible, including smaller classes, more individual attention to the student, more written work, closer supervision, etc. In short, selection of entering students seems to be the critical point at which to break the vicious circle of masses of unqualified beginners in the university, the resort to numerous part-time and frequently poorly qualified instructors, low academic standards for students, leading to further influxes of students, and so on.

Universities which select students: bases and methods of selection

The countries that have set a limit to matriculation for the first year at schools of economics have been obliged to find some method of selecting students, as the demand for matriculation is greater than the established limit. This limit is determined by what is available to the various institutions in the way of physical and teaching resources, on the assumption that there is an optimum size for classes. This imposes

/a maximum

a maximum size, and it appears from the views expressed by most of those consulted that this maximum is about a hundred, with one professor and whatever lecturers and assistants are needed to divide the students into two, three or four groups for "practical" or "laboratory" work or a more active type of discussion of the subject matter taught by the professor.

In Brazil, where the curriculum and the regulations in general are established by federal or State law, the annual number of students that can be accepted by each school, whether State or private, is laid down by the Ministry of Education. As stated above, the limit is established by adjusting the demand for enrolment to the number considered appropriate for the physical and teaching resources of each institution. The selection is made by means of an examination in mathematics, history and geography. The candidates have completed either their secondary education, with four years of junior secondary school and three years of senior secondary school, or their studies at an upper vocational secondary school of commerce. The proportion of candidates who are accepted appears to be about 50 per cent in most universities in the various countries where students are selected. In all the countries visited where there were quotas and selective admittance, as many students were admitted as were needed to fill the established quota. However, the Dean of the Faculty of Economics of the University of Los Andes (Colombia) said that at that institution there was no admission quota and that out of the students applying for enrolment all those who were considered well qualified were accepted; thus far the results had been an enrolment of 20 students (full-time) for the first term, except for the last enrolment, when 37 out of 100 had been accepted, but the number had been reduced to 20 for the second term.

This method of selecting on a non-quota basis makes it necessary to establish certain standards sufficiently high to ensure that the maximum enrolment is what would be obtained by the quota system. However, such a system implies a more than usually strict selection, with a view to accepting only those students who are considered fully qualified to undertake university studies. This is mainly due to the fact that, generally speaking, secondary education in Latin America does not enable

/the student

the student to reach the educational level considered desirable by the universities. In almost all the countries visited, it was a common experience to hear university professors complain about the low educational standard of students entering the university. "They cannot even write good Spanish (or Portuguese)", was a comment heard with regrettable frequency. Similarly, in all the countries concerned it was reported that, when the students entered the university, they were unable to read any foreign language, although they had usually studied English or French, or both, for five or six years of secondary school. In most of these countries, similar complaints are made about mathematics and about the students' general training.

The entrance requirement for Latin American universities is generally the holding of the bachillerato diploma, which, in most cases, is awarded upon the completion of courses and the passing of an examination conducted by the secondary school. In Chile also this diploma is required, but it is the university which, upon the completion of the secondary school course, conducts the examination. It pertains to the special field which the student proposes to study in the university.

The School of Economics of the University of Chile, which is a State university, has established an admission quota of 100 students for the first academic term, making a total of 200 students who begin their university studies each year: 100 in the first term, beginning in March, and 100 in the second, in August.

Quotas are established annually by the higher university councils, acting on the proposals of the faculties concerned, in the light of the physical and teaching resources of the various institutions and with a view to admitting the candidates regarded as the best equipped to undertake university studies.

The Catholic University of Chile accepts 80 students for the first year. The selection is based on an average of the marks obtained during the last part of the secondary education (the fourth, fifth and sixth years) and on the mark obtained in the bachillerato examination, the first element counting as 40 per cent of the final mark, and the second as 60 per cent.

/In addition,

In addition, the Catholic University gives psychological tests and personal interviews, and takes into account, among other factors in the student's background, the standard of the secondary school attended.

Universities which do not select students

Just as the inadequate standard of secondary education is given as one of the reasons for selective admittance to the university, it is also given as one reason for not making any selection.

Some defenders of the non-selective method (of whom there are not many among the university professors) point to the varying standard of the various secondary schools in a given geographical area which supplies the candidates for a given university, and say that the selective method is unfair because in practice it rules out the possibility of admittance to the university for the students who come from the inadequate secondary schools. They add that at such schools there is no good vocational guidance and that it is therefore at the university that the student must discover his bent.

At Córdoba (Argentina), there is no limit on or selection of candidates. This is also true, with perhaps one or two exceptions, of the University of Buenos Aires and all other Argentine national universities, and also of the national universities in Mexico, Uruguay and Venezuela.

In these countries, limited or selective admission is regarded as an infringement of freedom of access to the university, which, in their judgement, should be open to all who have completed their secondary education and wish to continue their education. Some professors, while admitting that they see no practical advantage in such a system, say that its continuance is a question of principle. In view of this feeling, and since the same stand is vigorously maintained by students, graduates and, it would appear, a group of professors, the situation does not seem likely to change in the near future.

As education is free, the figures for both new and total enrolment at the universities are exceedingly - one might almost say unbelievably - high. The professors who defend this system maintain that selection takes place at the university during the course of studies. In Uruguay, for instance, it is maintained that, as 90 per cent of the students who are

/admitted to

admitted to the Faculty of Economics and Management take the management course and only 10 per cent the economics course, the admission of a large number of students increases the number who may possibly become interested in the idea of becoming economists. However, there are serious misgivings in Uruguay about the possible market for economists.

Nevertheless it should be mentioned that the Mission met many professors and graduates, and even some students, who accepted the idea of selective admission, while believing that it was not a practical possibility in the near future. However, even in Argentina the Catholic University at Córdoba, for example, has begun courses in management and accountancy and, according to our information, will shortly establish a school of economics, with limited and selective admission.

2. Full-time and part-time students

The fact that there is selective admission to some university schools of economics does not imply, however, that the teaching standard is equally high in all of them. Clearly the number of students attending a course is only one of the aspects of the problem. Other factors that have to be taken into account are the quality of the teaching staff and how much of their time they devote to the university, the help they can count on in the way of assistants, libraries, and so forth, and the time that the students can devote to their studies. Thus at São Paulo, for example, only the State university has full-time professors and assistants for the principal courses, and a student body of which about 30 per cent are full-time students. The rest of the university schools in this State have evening students, who work during the day, and no full-time teaching staff. However, as a result of the limitation on the number of students, the teaching standards have not sunk as low as might be expected in such circumstances. AAttendance at both the theoretical and practical classes is compulsory.

The schools of economics in Brazil, of which there are 55, normally function as evening schools. When the School of Economics was opened at the State university of São Paulo, it was intended to offer only day courses, with the idea of getting full-time students; but two years

/later the

later the State constitution obliged the universities to offer evening courses, so that at present both are given (as is the case in other university schools visited in Brazil). This means, as stated earlier, that some 25 to 30 per cent of the students only are full-time students. The minimum period for completing the course is five years for the evening students and four for the day students. The size of the day classes is between 50 and 60 students, whereas there are sometimes as many as 200 evening students in the academic classes.

At all the Chilean university schools the students are full-time, which enables the academic and practical classes to be spead out over the day so as to permit the maximum use of resources. This naturally implies that a high proportion of the teaching body is also full-time. The Chilean schools of economics have no evening classes for part-time students, and this is also the case in the universities of El Valle and Los Andes (Colombia) and Nuevo León (Monterrey, Mexico).

In most other schools of economics in Latin America, the part-time evening student who works during the day is the rule. In many countries it is regarded as undemocratic to prevent those who have insufficient money to study full time from attending classes. However, although there are many who could study full time, the university, being organized essentially for dealing with part-time students, is not equipped to cater for the first group, who are thus encouraged to work in order to benefit from the free time left them by the courses. The student who devotes himself exclusively to his university work in such circumstances often feels that he is wasting some of his time, since he could meet his university obligations, designed for the part-time, student, with comparatively little effort. This undoubtedly leads students to find work outside the university, and this tendency becomes more marked after the first two years, when the student has acquired sufficient knowledge to qualify him for certain forms of employment. Many such students are concerned less with the rate of payment than with the experience that they may be able to acquire if they obtain a post related to their profession, especially as research assistants.

/Many students,

Many students, on the other hand, are not in a position to study without at the same time making some contribution to the family income, even when the university is free, as are most State universities in Latin America. In order to remedy this situation to some extent, some university schools have established scholarship systems, to which there will be further reference below.

The combination of evening classes for students who work during the day with the large number of enrolments where there is no selection makes it necessary to find methods of conducting the courses effectively. Some of these methods will be commented on below; suffice it to say here that one of them is optional attendance at the academic classes (Argentina and Uruguay), which means in practice that most of the students do not attend. Because the classes are mainly of the lecture type, the student merely listens; this system, combined with the student's almost entire dependence on his class notes because he has little time for reading, means that, with rare exceptions, it is difficult for him to learn to think in economic terms during the course of his time at the university.

However, at Córdoba, for example, there are students who confine their activities to the university. Although there are no published figures available, one professor reported that in the second year there were 170 students, of whom 60 per cent would seem to be full-time in the sense that they do not work elsewhere during the day. But he added that unfortunately the institution was not organized to take advantage of this situation, principally because it was envisaged as an evening school without a full-time teaching staff.

3. Scholarships

In order to maintain a full-time student body at university schools of economics in Latin America, which is essential if the academic level is to be raised, a great increase in the existing scholarship programmes is urgently needed. This is a weak point in all the university schools visited. Obviously, no such programme would be possible without some system of selective admission.

Some universities have established, or are thinking of establishing, systems of grants as a partial solution of the problem.

There is an interesting system of voluntary matriculation fees at the School of Economics of the University of Chile. Each student pays according to his capacity to pay, of which he himself is the judge; the funds thus obtained are devoted mainly to helping those students who are in need of loans or grants.

At the universities of Buenos Aires and Córdoba, there exists a system of scholarships and aid to poorer students without major emphasis on their qualifications.

At the Faculty of Economics of the Central University of Venezuela, it is intended to establish a system for the next academic year whereby payments will be made by those who have to repeat courses. The amount to be paid is at present under discussion. The funds thus collected will be used for scholarships.

In Colombia, at the National University and at the University of El Valle (Cali), it is a matriculation requirement that applicants should provide the university with a copy of a statement of the income of their parents or the persons on whom they are economically dependent.

The fact that courses are free at practically all State universities in Latin America does not, however, mean that all young people who are intellectually qualified to pursue higher studies are actually able to do so. Matriculation is only one item, and not the largest, in the cost of the courses. In order to devote himself entirely to his studies, the student must be able to pay his maintenance costs. This means that, even when tuition is free, the only way of selecting the best students for admittance without regard to their financial resources and enabling them to be full-time students, is to establish a good system of loans or grants, or a combination of the two. In fact no other way can be found to make full use of a country's human resources.

4. Academic wastage

The rate of wastage, i.e., the number of students who drop out of the courses, is generally very high, ranging from an average of 50 per cent in the institutions with selective admission to 90 per cent in the others.

/The reasons

The reasons usually given for this dropping out are, firstly, the low level of secondary education, as a result of which (among other causes) the wastage is higher during the first years; secondly, the lack of aptitude which is revealed at the university; thirdly, the strict requirements laid down with the purpose of selection; and, finally, financial difficulties at those university schools that have full-time students.

5. Conclusions

The costs of large and indiscriminate admissions

Beside the deterioration of academic standards with which we began, there are two other categories of costs entailed by uncontrolled admission to the universities, the one financial, the other subjective and personal. Under the first of these we put the high rate of student mortality, which characteristically means a loss of 40-50 per cent of the entering students by the end of the first year, and a reduction of the original entrants who complete a four or five year course for the *licencia* or its equivalent to 25 per cent or even lower. While there may be some slight benefit to students who drop out, it is apparent that this very brief education is rudimentary at best and entails high costs in providing professors, classrooms and books, besides lowering the general quality of education for everyone.

On the other hand, though some of the students who fail or who voluntarily drop out may have had no serious intentions, it is time lost economically even for them. For the serious students who do not complete the course of study, there may be psychological damage, frustrations, and resentment. Both from the coldly financial angle and from the angle of humane considerations, it would be vastly preferable to reduce the admissions to a group not much greater than the number which can reasonably be expected to complete the degree.

Obstacles to the selection of students

To sum up, we might say that the following are the main obstacles to the selection of students:

/(a) The

(a) The tradition that university education should be available for everyone

On superficial consideration, which is as far as the thinking of large sectors of the population goes, it may seem to be a laudable aim to make a university education available to anyone desiring it. But this is strictly at variance with the realities of life. Economics teaches that only limited resources are available for our unlimited wants. But even for one person, the amount of education could be virtually unlimited; and, as Arthur Lewis puts it, there are, in the less developed economies, virtually "unlimited supplies of labour", all of which could, potentially, knock at the doors of the universities.

In the conduct of economic planning for development, Governments and boards attempt to select the right raw materials for buildings; they select the most economical or most effective techniques; they select sites for public works; they select projects. Is it a part of rational economical planning for development to reject selection when it comes to the use of human beings?

True democracy in the matter of education might well be called "to each according to his need", provided "need" is interpreted to mean his possession of qualities which need development and permit it. The Soviet Union is democratic in this sense; it provides all comers with a good primary and secondary schooling; it selects ruthlessly and then provides the education to the well-qualified through the university level and, indeed, to higher levels of research and scholarship. With the pressing demand for economic development throughout Latin America, no country can afford to squander its educational facilities on the unqualified. It would be a perverse kind of democracy which required the education of the unfit or uneducable.

(b) Supposed administrative difficulties

Selection of entering students is sometimes said to be impossible for one or another administrative complication. For one thing, it is sometimes said that the grades or ratings of students made by the preparatory schools are unequal and unreliable. In Europe and North America, this problem

/has been

has been met either by instituting university entrance examinations or by the certification of schools which are really qualified to prepare students for the university. If the second scheme is employed, grades of 10, 9, 8 (or whatever may represent a high level of accomplishment) in such a certified preparatory school are necessary for admission to the university. Alternatively, perhaps even in the case of the individual student, admission can be secured by examination.

It has been said that any faculty of economics could not select students by examination or otherwise unless the rest of the university applied the same system. This is not necessarily true, since medical and sometimes other scientific faculties have gone ahead of the general university practice. If other faculties do select their students, the faculty of economics receives all the "left-overs" unless it also limits admission.

(c) The political side

Occasionally it is objected that any limitation of entering numbers is "politically impossible". The fact that Brazil, the largest and most populous nation of Latin America, does impose limits on admissions to all of its federal and State universities shows what is politically possible for a nation, with a noticeable improvement in its academic situation compared to others. The Universities of Chile, Colombia and Ecuador practice a still more rigorous selection of entering students; Costa Rica imposes a quota; the Faculty of Economics of the University of Nuevo León (Monterrey, Mexico) narrowly limits admissions. What is "politically possible" in a given country depends on public sentiment; and the duty of those interested in the improvement of the universities is to help to enlighten and change public opinion. In most countries, savings to taxpayers is a powerful popular argument for economy in any government service. Politically organized student groups should not be permitted to block a reform which is in the interest of better quality education.

(d) Making up for deficient secondary schooling

One problem in Latin America seems to be that the liceo is regarded merely as a sort of intermediate education leading to the university. Those who have completed their secondary education and do not get a place

/in the

in the university consider themselves failures, because they are not well equipped to go to work. This fact creates greater pressure for admission to the university than if the secondary education were itself more adequate. But a poor preparatory schooling can scarcely be regarded as a really sound reason for continuing into university education!

The specific stituation of economics

Faculties of economics - and, to some degree, also of law - are particularly affected by the absence of admission standards. Many students enter economics or law without any serious intention of pursuing either subject professionally. In the case of law, as Adam Smith long ago observed, students go into this branch because it may be the means of entry to a political career. In the case of economics, students often falsely regard it as the best professional preparation for business careers. They do not really know what economics is all about, and they are particularly prone to confuse it with business administration. In the case of labour, everyone accepts the idea that labour exchanges or labour information centres represent a real contribution to factor mobility, to the optimal use of resources. It is equally, and perhaps even more, important that students, who are to be the future intellectual leaders of the nation, should know what they are doing and where they are going.

Occasionally the wide-open policy, with regard to the university in general and economics specifically, is defended on the grounds that, even if many students drop out, a little economics (or poorly taught economics) is better than none at all. This contention should be examined from two angles: (1) non-professional, and (2) professional.

(1) The idea that some basic courses in economics should be part of a general cultural education is probably right. But the curriculum in the economic sciences in Latin American universities is not intended as a liberal education but as a semi-professional one. The University of Costa Rica, however, requires all students in all faculties to take an initial year of studies intended to be cultural and humanistic: philosophy, history, one course in natural science, and one in economics.

/This course

This course is designed for this purpose and to provide a "small amount of economics" which would be beneficial to a non-professional student. But since the general practice in Latin America is to leave cultural education entirely to the liceo, a year or so of economics in the faculty of economic sciences is not designed for cultural purposes and cannot be defended on this basis.

(2) When we turn from the non-professional to the professional side, it is very difficult indeed to defend the idea that the 75 per cent of entering students who drop out, or even the 25 per cent (or less) who survive to the doctorate derive much real benefit from the instruction they now receive. It might indeed even be easier to defend the proposition that, in an under-developed low-income country, a large number of medical doctors whose training was limited to a year, or two, or three, might be better than no doctors at all. If the medical training were specifically aimed at such very limited terms of education, some of those with the most limited training could be authorized for certain types of vaccination, inoculation, and public health work; and they might do a great deal of good, perhaps roughly in proportion to their numbers.

In economics it is otherwise, since the essence of the science is analysis and judgement. Its character is essentially qualitative, not quantitative. Of course, for certain research functions and statistical manipulations, numbers of persons are required, indeed in large countries and large organizations, large numbers. But these routine operations are not economics. Economics consists in the framing of relevant questions and knowing what the empiric evidence shows. For example, the answer to the question whether, in the process of a great economic development effort, inflation is to be welcomed, merely tolerated, or actively combatted, is a difficult matter requiring theoretical insight, wide acquaintance with the facts, and considerable practical experience in world affairs. But it is a decision which is approximately as easy (or as difficult) for a nation of 60 million as for a nation of 6 million, and 50 poorly trained economists would almost certainly give a less intelligent answer to the problem than 5 or 6 well-trained specialists.

What Latin America urgently needs is a relatively small crop each year of well-trained, really professional economists. If economic development is important, so is the quality (not the quantity). The first and most urgent step is the intelligent selection of beginning students. It is urgent to protect the intelligentzia in Latin America.[1/]

Part-time students

The ideal situation would no doubt be one in which all really qualified and talented students could devote their time fully to the university. A country aspiring to rapid economic development would presumably set a high value upon economists who were able to contribute to that development; economic education would have a high priority among the claims upon the limited resources of the community.

In practice, even with a clear recognition of these propositions, it seems unlikely that many Latin American universities will go far enough in this direction in the near future through scholarships and loans to provide for all the able students. There would in all likelihood remain, even with reasonably high standards of admission, a substantial number of students who would have to earn part or all of their livelihood. For them, since in their ranks there may be a significant fraction with good qualities and seriousness of purpose, the State should provide courses at hours of the day compatible with their working for part or all of their living. A necessary implication of the part-time basis for some of the students is that they will require more years to complete their studies; and this fact should be recognized in the formal study schedules.

In general, the more full-time students (as a proportion of the total) the better; but part-time students will persist for a very long time, and large metropolitan universities will, also for the foreseeable future, need to make provision for them. Meanwhile the universities should strive for a substantial reduction in the number of entering students and a substantial increase in the proportion (and possibly even the absolute number) of full-time students.

1/ An institute of the University of Brazil (Rio de Janeiro) has enabled the Faculty of Economics to take their 20 best students, give them fellowships, and train them individually through the students' full-time effort. However, a greater degree of social justice might be attained if a means test were also included in the conditions laid down for candidates.

/To conclude

To conclude this section, it may be said that the Mission considers that in order to improve the standard of the teaching of economics in Latin America, not only must a good system of selection and scholarships be established in order to ensure a high proportion of full-time students, but also means must be found to obtain good full-time professors, at least for the basic faculties. Last but not least, there must be a clear distinction between economics and other studies, such as management and accountancy, to which further reference will be made later in this report.

/Chapter II

Chapter II

UNIVERSITY GOVERNMENT, AUTONOMY, AND THE PROFESSOR

1. The university and the professor in the Latin American community

The title of university professor enjoys in Latin America a time-honoured social and intellectual prestige which carries weight even in the political, and, up to a point, in the economic field. In this connexion it is worth noting that economic success in the exercise of some of the liberal professions is often linked to the teaching of the special subject in question in the university.

From the standpoint of the quality of the Latin American university professor, the diverse consequences of this prestige have been both advantageous and unfavourable. On the one hand, it has served to attract the best minds to the universities. On the other, it has also acted as an inducement to those who had no vocation for teaching or research and sought the distinction of an academic post only in order to further their political or professional careers.

It seems unlikely that in this respect Latin America constitutes any exception to the general run of events in centres at a more advanced stage of development or with a stronger university tradition. But the Latin American universities have had fewer institutional and technical resources at their disposal for the selection and recruitment of the most competent individuals, and their environment has not always offered many alternatives.

Historically speaking, the university has occupied a dominant position in the cultural and political life of the Latin American peoples, perhaps to a much greater extent than the United States or European universities in their respective environments. For that very reason, it has been much more exposed to the influence of political events and extremely sensitive to external circumstance. It has itself assumed a political character in the sense that it has come to constitute an important factor in the play of political forces and also that its structure and administration have been organized in imitation of the institutional forms of the political government of the State. The university has thus come to resemble a federal republic on a miniature scale, having a central government with limited powers, and local authorities (the faculties) in which the various sectors of the university community - professors, graduates and students - are represented

/by delegates

by delegates democratically elected.

Many of the circumstances relating to this process belong to past history. But, be that as it may, they have left their mark on the Latin American university of today and have largely shaped its structure. It should also be borne in mind that universities in this part of America are traditionally public, or, in other words, belong to the State, almost always to the federal or national State in question, except in the remoter past, when in their initial stages they belonged to the church.

The private universities are of relatively recent growth, and although as a general rule private initiative has been free to set them up, there have been cases - that of Argentina, for example - in which their creation was authorized by legislation passed only a very short time ago. As is common knowledge, the governing body of private universities is instituted in accordance with a different concept of seniority and authority, and is not as a rule established on a representative basis.

The public universities are usually organized in conformity with common legislative provisions which lay down compulsory bases. The aim of these is to ensure at least two things: the autonomy of the university, and a system of administration and appointment of professors independent of influences alien to the interests of learning and culture. The commonest type of structure is that in which each faculty is under the direction of a council and a dean, and the central authority is in the hands of a higher council and rector, all these being directly or indirectly elected to their posts (Argentina, Chile, Ecuador, Peru, Uruguay, Venezuela). An example of a special régime is afforded by Del Valle University (Cali, Colombia), where an endeavour has been made to assert the principle that the university does not belong to any one sector in particular - neither to the professors, nor to the students, nor to the State - but to the whole community, by giving a share in its administration to the governor of the State, the bishop, the Minister of Education, the professors and students, and the bodies representing the basic economic interests of the area.

A moot point in connexion with university administration is that relating to the participation of the student body, a feature found only in Latin America

/and confined

and confined until recently to two or three countries. The principle has now gained ground, and today has been adopted in most of the countries of the region, although in widely differing degrees, ranging from equal representation (Uruguay and some of the Argentine universities) to a minimum of one delegate with the right to speak but not to vote (Chile, some of the Brazilian universities). In some quarters a great deal of emphasis has been laid on the disturbances caused by this system, and attention has also been called to the anomalous situation created as between students who are members of the governing authority and professors who are not.

2. Financial resources

A global allocation is almost always apportioned to the public universities in the overall budget of the nation or of the provincial State, as the case may be. They do not, therefore, enjoy financial autonomy. Sometimes they possess goods or funds of their own which can be used for specific purposes, as in the case of the universities of Buenos Aires and Córdoba and the Central University of Ecuador and which cannot be earmarked for current expenditure, or receive the proceeds of certain taxes, e.g. the Universities of Ecuador, Chile and San Marcos. As the economic situation of the university depends upon legislation which changes every year, consideration has been given to the possibility that financial autonomy could be secured by means of tax revenue of the university's own, established in the national political constitution. The first concrete step in this direction has been taken by Costa Rica, whose constitution contains a clause of this type.[1/]

The universities cannot draw upon funds deriving from students' registration fees, since education is virtually free of charge in all countries. In some cases, there is an express provision that it should be provided gratis; in others the fees payable are so low that they may be regarded as purely nominal; and in yet others, as we have seen, payment is voluntary (Chile) or according to the parents' income (Colombia).

1/ Various Latin American universities have benefited and are still benefiting from subsidies granted by domestic or foreign foundations for special purposes. Neither their origin nor the amount they represent is such that they can contribute to the university's financial autonomy, although they do provide solutions for particular problems.

/In the

In the private universities a different situation prevails. Most of them depend for their upkeep on donations and registration fees and, except in certain cases - that of the Catholic University of Chile, for example - are not subsidized by the State.

The point to be stressed is that the universities, both public and private, have not enough resources to introduce the reforms which they themselves consider necessary or useful, and which would imply heavier expenditure.

This lack of economic independence is one of the factors detracting from the effectiveness of the academic and political autonomy which the universities are in law acknowledged to possess. But here, as in other instances, it should be pointed out that this is a negative aspect which is not of equal significance in all universities, and that many of them, in fact the majority, develop quite independently of the Government. The shortage of resources, which is universal,operates rather as a factor restricting their prospects of progress and improvement.

3. The character of professorships in faculties and schools of economics

The two aspects of this topic - university teaching as a career and the method of appointment to university posts - are closely interrelated.

In most of the faculties of economics visited there are several categories of professors. The simplest system would seem to be that adopted, for example, in the University of Córdoba, where for each chair there is an established professor and one or more adjunct professors, in addition to assistants or group leaders for practical work; one of the most complex, that of the University of El Valle, where there are six categories, namely, student teachers (monitores), instructors (instructores), assistants (auxiliares de cátedra), assistant professors (profesores auxiliares), associate professors (profesores asistentes) and full professors (profesores titulares). In some cases only one category exists - that of the full professor - for want of candidates to hold the posts of associates or assistants. The existence of several grades or steps in university teaching does not necessarily imply a closed hierarchy in which it is compulsory to begin on the lowest rung of the ladder; nor does it mean that in actual fact the appropriate staff are available for all the categories. As regards the first point, almost all

/faculties consider

faculties consider direct accession to any category admissible, if the applicant is of the right calibre and has the necessary qualifications. With respect to the second point, it should once more be recalled that good economists, mathematicians or statisticians for university teaching are in chronically short supply. This is why certain universities, with the help of subsidies granted by foreign foundations, have concluded aggreements with United States universities in order to obtain the temporary cooperation of professors or research workers, as in the case of the agreements between the Catholic University of Chile and the University of Chicago, between the University of Buenos Aires and Columbia University, and between the University of Chile and Cornell University. Another such agreement was concluded by the University of Los Andes (Bogotá, Colombia), where the head of the research department is an economist from the United States, and his salary is provided for in the budget grant by the same foundation that supports the research.[2/]

In the public universities the competitive system is predominant as the basis for entry to the teaching staff. In the private universities, on the contrary, direct appointment is the most common practice.

The competitive system, so characteristic of the Hispanic tradition, enjoys great prestige in Latin American university circles. At the present time it constitutes the usual means of access to a professorship in Argentina, Brazil, Chile, Colombia (National University), Ecuador, Mexico (National Autonomous University), Peru, Uruguay, etc. In some universities, the competitive system is an alternative which may be adopted by decision of the faculty authorities, as is the case in the Catholic University of Lima. In the Faculties of Economics of the Catholic University of Chile, the Universities of Los Andes and Valle and the Catholic University of Venezuela, professors are appointed directly by the academic authorities, at the latters' own discretion.

To judge from the experience of the Latin American countries and of others whose universities appoint their professors directly, it would not seem that the competitive system is the best fitted to ensure a high standard of

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2/ In the case of the University of Buenos Aires, cited in the text, the United States university co-operates only in the fields of public and business administration. In the case of the University of Chile, Cornell University co-operates in the field of labour and industrial relations.

/professorship. However,

professorship. However, it should be recalled that, owing to the political and governmental interference to which the university has been exposed in Latin America, a competition open to all candidates formed part of the system of safeguards devised to prevent or offset those influences. Even nowadays they make themselves felt in some parts of the region. This system has not always worked perfectly from the standpoint of scrupulously correct procedure, but the balance of results has been on the whole, favourable.

As far as schools or faculties of economics are concerned, the competitive system cannot solve the problem of the shortage of professorial talent. This is the justification for the schools' taking the initiative in looking for professors, appointing them directly after making enquiries as to possible candidates both in their immediate milieu and even abroad. But the open competition, as the legal system in force, is familiar among intellectual circles, and it still seems to constitute in Latin America an incentive for study and specialization. It may also be regarded as a protection against haphazard appointment, provided that the competition is duly publicized and its proper conduct safeguarded.

Again, even those universities in which the competitive system is most firmly established recognize the possibility of direct appointment in special cases, as where a candidate of outstanding and widely-recognized merit presents himself, and when a professor has to be engaged on exceptional terms in respect of hours of work and salary.

The faculties of economics of several universities are making efforts to build up their new professorships themselves, by sending a selection of their best graduates abroad to pursue advanced studies, and promising them adequately paid academic posts on their return. This practice is being followed by the Catholic University of Chile, the University of Chile, and, among others, by the Bank of Mexico on behalf of the universities there.

4. Full-time and part-time academic work

The question of full- and part-time academic employment for professors is one of the most important to be dealt with in a critical analysis of the present status of the teaching of economics in Latin America.[3/]

3/ In this as in other connexions, the considerations set forth in the text are applicable to the university as a whole and not only to the faculties of economics.

/The academic

The academic profession calls for full-time activity in the following activities: completion and maintenance of the professor's own qualifications and training; the transmission of knowledge to the students; teaching of methods of research, if possible by means of actual research work; and the production of original studies. In the more advanced scientific and cultural circles, the ordinary definition of the university professor comprises these concepts. The same cannot be said as regards Latin America, where the traditional system has not been the best suited to promoting the formation of a professorship of this type. This statement does not imply any failure to recognize the academic achievements and personal standing of eminent Latin American professors and research workers in the most diverse branches of learning. On the contrary, a reminder of the environment in which they have carried on their activities enhances the esteem in which they must be held.

The full-time professor has been and still is an exception in the Latin American universities. History affords examples of men of learning whose personal circumstances enabled them to devote their whole time to their university work. In certain types of faculties or schools, the working requirements of laboratories or institutes have rendered the full-time professor necessary. But, generally speaking, the university has claimed only two or three teaching hours a week, over and above those which each professor chose to spend on the preparation of his classes, which depended upon his personal sense of responsibility and the moral and intellectual incentives afforded by the environment. Fortunately, neither incentives nor sense of responsibility have been lacking.

Nowadays, however, the problem under discussion should not be approached solely from the standpoint of the professor's own attainments and qualifications and of the time at his disposal for keeping his knowledge up to date. In this direction much can be and has been achieved on the basis of the part-time system. An additional reason why the professor needs to devote more time to his academic work is that he should be available for as many hours as possible to give his students guidance and help.

/At the

At the present time it is clear that in Latin American university circles, with few exceptions, the principle that their academic work should constitute the main activity and also the main, if not the only, source of income of university professors is now generally acknowledged to be a correct principle.

In the faculties of economics the problem is essentially the same as in the other faculties, but a few special remarks are called for. Since these schools are new in Latin America, their professorships have been built up in a more haphazard fashion. In those which were founded during the early decades of the present century there was a tendency to imitate the patterns and methods of the law schools in which lecturing was the prevalent teaching technique. Consequently, there has been more resistance to the idea that the formation of economists entails institute and laboratory work and practical training which are probably less necessary in the case of most juridical studies, and that these techniques require the cooperation of professors who devote more than the traditional number of hours to their university work. Nowadays most professors and students are in favour of the full-time professor for the basic subjects in the special field of study concerned, at least as regards the theory of economics, mathematics and statistics.[4/]

The progress made so far is not great, but it may spread. All the professors in the Faculty of Economics at Del Valle (Cali, Colombia) are full-time, and, while this is only the third year in which the faculty is in operation, the intention is to maintain the system throughout all the courses. In the faculties of economics of the University of Chile and of the University of Nuevo León (Monterrey, Mexico) all the professors teaching basic subjects work full-time, and so do 50 per cent of those in the State University of Sao Paulo. The faculties of the Universities of Buenos Aires and Córdoba (Argentina), Los Andes (Bogotá, Colombia) and the Catholic University of Chile have from 3 to 6 full-time professors.

As has been explained elsewhere, the University of Belo Horizonte enjoys the cooperation of a private institute which organizes supplementary courses run by 10 full-time professors under contract. The University of the Republic of Uruguay, by virtue of legislation passed in 1958, already has a system of

4/ No mention is made of accounting, since the course primarily envisaged is one for economists, not for accountants or business managers.

/full-time professors,

full-time professors, which has not yet become effective in the Faculty of Economics.

In certain universities there are professors who are designated as "full-time" on the basis of the total amount of work or teaching hours accumulated in a variety of functions, a system which is not recommendable, but preferable to the part-time régime inasmuch as it enables the professor to devote himself entirely to his university work, particularly if one and the same special subject is involved.

If what has been achieved is compared with what still remains to be done, and it is recalled that, as has been pointed out, the general opinion is in favour of reform, the real problem relates to what obstacles have prevented the system from being more universally adopted.

The authorities and professors interviewed by the Mission agree in attributing paramount importance to the economic factor. It has already been pointed out that neither the public nor private Latin American universities have sufficient property or income to enable them to adopt the systems of teaching used in more advanced centres, as, for instance, in the United States, where a professorship means, in the majority of cases, that the professor devotes the whole of his time and energy to his university work. In view of the fact that, in Latin America, full professors with the usual number of teaching hours (3) receive salaries ranging between 30 to 100 dollars a month, the tremendous cost to the universities of putting a large number of their staff on a full-time basis at a considerably higher salary may readily be understood.

From the professor's standpoint, the economic factor varies from one country to another, and the salary level that is thought sufficient to act as an inducement to full-time work also differs appreciably in accordance with a number of circumstances, which include the opportunities offered to economists of earning money outside the university. It has already been noted that there are many openings for good economists, either in private activities, or in government offices, banks, and development and programming boards and corporations, or again in international organizations, which are continually enlarging their field of action in economic and technical

/research and

research and therefore need an increasingly large number of highly-skilled personnel. As a result, the universities have to face strong competition and are at a disadvantage owing to their limited financial resources.

Some universities now pay their full-time professors salaries that are equivalent to 450 or 500 dollars, which is considered to be adequate on the whole. In certain parts, such as Venezuela, however, this amount is low, not only because of the high cost of living but because of the excellent opportunities for economists in private activities.

Among the many people who were consulted, there were some, of course, who did not fail to defend the present part-time system as a general rule. The weakest reason put forward was of a highly personal nature, concerning the professor's independence and his aversion to becoming an "employee". One opinion which carried more weight was that a professor who is obtaining practical experience and a first-hand knowledge of economic affairs by working on the board of directors of a bank, or as an expert in a government office, is better qualified to teach many of the subjects included in the syllabus of economic studies. But, let it be repeated, most of the professors were in favour of the complete and exclusive dedication of their time to university work, at least as the ideal.

The problem is not, of course, a purely economic one. A full-time system presupposes a commitment on the part of the professor to give himself wholeheartedly to his work, but also implies competence in teaching or research work. And economists who are capable of assuming this responsibility do not abound in Latin American circles.

5. Other aspects of the professorship

One of the salient aspects of the Mission's survey might have been the level of attainment of the present teaching staff in faculties and schools of economics. But an investigation of this kind, apart from being embarassing and even provocative in the eyes of Latin American university teachers, would have required more time than the Mission had at its disposal and a system of work which was outside its scope. Some facts may, however, be mentioned in this connexion.

/The majority

The majority of the professors have been trained in local universities. But a number of the teachers (above all the younger ones) have taken advanced courses of study at United States or European universities - particularly the former - for a year or more, and some of them have been awarded an academic degree. The Latin American universities have done all they can to help their graduates in this respect either by granting them subsidies or fellowships or by allowing them to take advantage of the fellowships offered by foreign institutions.

According to information given to the Mission, all the professors of economics at the University of Chile have studied abroad as well as 10 from the University of Buenos Aires, 3 or 4 from the University of Córdoba, 8 to 10 from the State University of Sao Paulo, 10 from the University of Belo Horizonte, and an indeterminate number from the Universities of Los Andes and El Valle, the National Universities of Colombia, Costa Rica, Ecuador and Mexico, the University of Nuevo León (Monterrey, Mexico) and the Catholic University of Chile.

Highly-trained experts are also to be found in technical or research departments that deal with their own subject of study. Professors of economic theory or economic policy, for instance, work in the economic research departments of central banks or similar bodies.

The Mission thus found some well-trained economists, even among those who have studied in their own country only. But not all of them can be put to good use by the university.

The rigid professorship system is a negative factor from a certain point of view. In nearly every part of Latin America, each subject in the curriculum has one full professorship and one only. To adopt an expression used by some young professors interviewed, <u>each professorial chair has its owner</u>. This often constitutes an obstacle to the teaching career of new members of the staff. It also rules out the possibility of dislodging inefficient professors.

There are several considerations to be made at this juncture. In the first place, tenure is an important prerequisite if full-time professors are to be drawn away from other lucrative activities into the university. Hence, the abolition of tenure does not seem to be the best way of attracting new

/entrants or

entrants or of obliging the teaching staff to keep their knowledge up-to-date, although several universities (Buenos Aires, Uruguay, Córdoba) seem to have regarded it as such when they established professorships for a definite term of years only.

Moreover, the solution that consists in increasing the number of professorships for each subject[5/] would, in the opinion of certain persons, be rather risky since it would make a certain number of professorships permanently available for serving political or party interests and would raise teaching costs. It may be observed that the same element of danger may exist in any system as long as the university authorities are not wholly dedicated to furthering the university's best interests. When they are, the risk is negligible.

The fault is not to be imputed solely to the inflexible professorship system. Part of the blame rests upon the rigidity of the curriculum, which makes no provision for optional subjects, and even more upon the system of part-time appointments for professors.

6. Conclusions

It is virtually superfluous to insist once again on the fact that in Latin American faculties of economics the professors have seldom been put to a real test of quality because of the shortness of the time which the university requires them to devote to its work. From what the Mission was able to ascertain in the course of its interviews, some of the professors are very highly qualified and would, if they were whole-heartedly devoted to their work, contribute substantially to raising the level of teaching in economics.

It has already been pointed out that an economic problem exists in the limited resources at the universities' disposal. Attention has also been drawn to the great efforts which still remain to be made if a transformation is to be effected. It is not incumbent upon the Mission to study ways and means for the Latin American universities to increase their revenue, but two obstacles may be mentioned to the methods normally adopted in other countries

5/ The so-called "parallel professorships" established in certain universities - such as that of Buenos Aires - may remedy the difficulties caused by the large numbers of students, but is not an effectual solution to the problem under discussion here.

/to obtain

to obtain funds. One is the deeply-rooted conviction that university education should be free, and the other is the lack of sufficient donations or foundations to subsidize such education. In fact, as most of the universities are supported by the State, the whole problem is reduced to the question of how to induce the Government to increase the corresponding allotments in its budget.

From the standpoint of the teaching staff, the problem of competition between their university work and outside activities was sometimes frankly stated in terms of money. Remuneration would thus seem to be the decisive factor influencing their choice. The Mission believes, however, that unduly great importance is being attached to the economic aspect. The acceptance of a university teaching post implies a sense of vocation and an ability to obtain satisfaction from factors other than money, and these are bound to play a major part in influencing the choice of work. The community itself has given the professor a social position which ranks high in the scale of values. In addition to this prestige, there should be, and sometimes is, proper economic compensation. The excellent opportunities for earning money which are frequently offered to good economists in developing countries do not really compete with the university unless the latter fails to provide due compensation. In Latin America, the spiritual and intellectual incentives offered by a teaching career are substantial for those who have a sense of vocation; hence, the problem is not a purely economic one.

Nevertheless, the economic aspect cannot be belittled, and the first duty of those who are responsible for solving this problem is to convince the authorities and politicians of the importance of investing in education, and particularly in the training of good economists, if the economy is to develop as it should.

The problem may not be as overwhelming as it appears at first sight. In a school of economics, a large proportion of the curriculum is devoted to subsidiary subjects in the fields of law, accountancy and the humanities, which could perfectly well be taught by part-time professors. It would therefore be enough if full-time professors were available to teach the basic

/subjects for

subjects for economists. At all events, one of the first stages of the reform would be completed if an adequate number of professors were provided to ensure that the students received constant guidance and supervision. In other words, it is only necessary to have a full-time professorship to ensure that the students also become full-time in the true sense of the word.

The Mission is of course aware that for the faculties with thousands of students the problem is a very serious one. If, forced to choose between drastically reducing the number of students or increasing the number of professors, they were to decide on the latter and, at the same time, to establish full-time appointments, resources would have to be considerably increased. At the present time this does not seem to be feasible.

The duties of a part-time professor - if this type of appointment has to be retained for certain subjects - should not be confined to three hours of teaching weekly. The students need to be able to consult even this sort of professor. The idea of a half-time professor devoting three or four hours a day to the university should therefore be entertained.

Furthermore, every professor should have sufficient space at his disposal to be able to remain in the university after teaching hours if he wishes. The Mission is also of the opinion that in some countries far too much money has been spent on the university buildings instead of on other more important things. Nevertheless it likewise believes that the professors should feel free to remain in the school and should have a place of their own there for study and work.

Professors who work in economic research offices outside the university, or who act in an administrative or advisory capacity in banks or similar institutions, may be particularly qualified to teach certain specialties. Latin American schools of economics should not lose professors of high calibre who are placed in that sort of situation, but should see to it that they are given a sufficient number of assistant and associate professors.

/Chapter III

Chapter III

CURRICULA AND TEACHING METHODS IN ECONOMICS

A very large part of what has been recorded here concerning the admission and quality of students and the recruitment and quality of professors pertains as much to the entire university as it does to economics. We now enter upon the problems which are peculiar to economics, in the matter of curricula and teaching, which - after all - are at the very heart of the educational process.

1. Curricula

Why study economics?

Economics, particularly in its policy aspects, is a utilitarian subject. Unlike literature, art, or philosophy it is not pursued for its aesthetic qualities, for enjoyment, or for the edification of the spirit. Economics must justify itself continually by being put to the test: does it help us to understand the processes by which society utilizes its limited resources for its unlimited wants? Does economics make a sufficient contribution to the economic welfare and development of a nation to warrant the time and expense which scholars and students expend upon it? Are the courses in economics conducted in a vacuum, or do they provide illustrative references and applications to the economy in which the student lives? Does the curriculum provide him with a good set of intellectual tools with which he can tackle such basic problems as the effect of the distribution of wealth and income on economic welfare and progress, population increases and development, allocating investment for optimum results, providing a good tax structure, etc.?

Cultural and professional interests

All of these questions are vitally relevant to the curriculum and teaching of economics, whether for the general, well-educated citizen or for the person who aspires to become a professional economist.

The present Mission has not concerned itself extensively with the status of general cultural education in Latin America, partly because it is the common practice of the universities there to leave this matter to the schools preparing students for the university. We have, for example, not attempted

/to form

to form a judgement as to whether these preparatory schools really provide an adequate background; but we have noted that there have been many complaints on this score, and that some faculties of economics have instituted their own courses in foreign languages (particularly English) and even in the use of the national tongue.

The University of Costa Rica seems to be unique in having introduced an initial year (out of the five years for the degree) of a general cultural nature, compulsory for all students of all faculties, who must also - in this first year at least - be full-time students. During this year the student takes seven subjects, four of which are general (fundamentals of philosophy, history of culture, introduction to biology, and Spanish) and three social (institutional history of Costa Rica, principles of economis, introduction to sociology). This seems to be a move in the right direction, but this is not a matter of primary concern in the present context.

It is important, however, to distinguish between economics courses and curricula suitable for general educational purposes and those suitable for professional training. With something over 10,000 students enrolled in the faculty of economics in one of the large Latin American universities, 1/ it is apparent that the niceties of equilibrium under varying degrees of monopoly and competition are too technical for the vast majority of the students. On the other hand, for the very small fraction who will really become professional economists, the courses in many universities leave the student without any knowledge of statistical sources, with poor analytical ability and poor preparation in research techniques, and with a general inability to write a report clearly and correctly.

It goes without saying that general cultural courses in economics cannot entirely dispense with technical concepts and theories, and, on the other hand, that a good technical training in economics requires some broad basis such as general history and the history of economic thought. Latin American universities, however, could do a great service by heavily underlining the distinction between the economics curricula designed for the general university

1/ Of course, only a small fraction of them are really interested in economics proper, as distinct from accountancy, business management, etc.

/student and

student and that intended for those really interested in taking up economics as a profession. We shall be dealing only with the second.

Differentiation of economics from other subjects

Long before any such sophisticated distinction could be made, however, economics itself had to win separate recognition among academic faculties. As noted in the introduction to this report, economics made its appearance in the late nineteenth century in Latin America as an adjunct to law, following the example of European - particularly French - universities. Economics has enjoyed the dignity of a separate faculty for only two or three decades, sometimes for only two or three years. But in very many cases, including some of the very largest and best known universities, these faculties of economics represent a mixture of economics proper, law, accountancy and something resembling business management.

This mixture of subjects has, of course, several marked disadvantages. Students receive a smattering of many things and master none. In addition, this anomalous mixture has a fatal propensity to attract large numbers of students; and the large numbers tend to water down the real content of courses and the significance of degrees. Many, if not most, entering students have no idea of what economics proper is. In the catalogue of the university they see - intermingled with the history of economic doctrine, and even the philosophy of economics - such courses as accounting, private finance, money and banking, which lead them to believe that, faute de mieux, this is the best way of preparing themselves to earn a living. Even after two or three years of study, they still fail to distinguish correctly between economics and business administration. In one large metropolitan university in Brazil, the Mission discovered in talking with a group of its students, that they were identifying the distinction with the dichotomy of macroeconomics and microeconomics. They were apparently unaware of such genuinely business school subjects as marketing, advertising, sales management, investment policy, credit management, industrial relations, and the like.

Where the separation had not been effected or had not been carried far, it was frequently thought that to differentiate economics very sharply would be risky, that the market for economists was either small or uncertain.

/But the

But the evidence gathered by this Mission seems to indcate very generally that there is a good market for good economists. In nearly every country this was the testimony offered by academic people, bankers, government officials, and businessmen. If the quality of the product of faculties of economics is what counts, then it is extremely important to make use of the classical advantages of the division of labour and devote the energies of those faculties to producing economists.

Flexibility in the determination of curricula: elective courses

To what degree are faculties of economics free to determine the character and specific content of their curricula? In Brazil the national legislature designates the courses which constitute the curriculum in economics. This certainly impairs - though it need not destroy - the capacity of professors and faculties to adapt the lectures and courses to what they consider to be the needs of students. Elsewhere, for example in Venezuela, a council of the universities has recommended a curriculum and individual departments have felt themsleves under pressure to comply with these informal rules.

The motive for these formal or informal constraints seems to have been to secure some kind of minimum quantity or quality of education in economics. But no such result necessarily follows. The real meaning of Doctor, Licenciado and Economista depends on the quality of the faculty, its enthusiasm and devotion, the cooperation and effort of students, etc., and obviously not on a legislative fiat concerning the names of courses.

A faculty which is firmly resolved upon reform in the teaching of economics could probably put the needed changes into effect even with the old labels still attached to the courses. The content of courses could be whatever the faculty decided. Legislative prescription in this matter must on the whole tend to obstruct progress. Furthermore, in a large country such as Brazil, there exist marked regional differences in the economy; and there is every reason to believe that a gain would accrue from some regional differentiation in the courses. International trade is less interesting in an inland city, and agricultural economics would mean very little in a region which is predominantly devoted to iron and steel production. There are grounds for non-uniformity.

Something similar may be said at the student level. Some degree of

/compulsion is

compulsion is undoubtedly necessary if the degree in economics is to have any meaning. But the needs and tastes of individual students differ, and this fact may well be reflected in faculty of economics rules, as they apply, to a limited degree at least, for example, at the Universities of Buenos Aires and Chile. How many elective and how many obligatory courses is a matter for local decision and there seems to be no compelling reason for seeking uniformity in this ratio.

Differentiation would also seem to be highly desirable in one further respect: as between full-and part-time students. Part-time is a handicap even for the brightest students, and it needs to be offset by a more protracted period of study. Thus the Central University of Venezuela, with a normal programme of five years for the degree of Licenciado, prescribes a minimum of six years for part-time students as does the University of the State of Sao Paulo, as mentioned in chapter I.

Number of subjects in the curricula

In most Latin American universities the curricula embrace seven, eight or even more subjects to be studied simultaneously, involving 24 or more classroom or lecture hours weekly. If the professor is frequently absent, if the content of his lectures is "thin" anyway, if the student attends only when the whim so inclines him, and if the examinations are based chiefly on notes and are not difficult, then seven or eight subjects are not excessive.[2/]

If, on the contrary, the work is really what a university should demand, four subjects is about the maximum. Assuming that attending these courses involves four classes a week for subject and preparation on the students' part requires two hours per class, the total time per week would be 48 hours. A week of 45 to 48 hours has come in many countries to be recognized as the maximum for health and welfare for physical labourers. If university work is of a calibre worthy of the name, the intellectual labour of the serious student is not less exacting than bodily exertion. Courses in excess of four per semester are exposed to the danger of superficiality, and the

2/ For examples of curricula with larger and smaller numbers of courses see annex II.

/wide prevalence

wide prevalence of curricula with nearly double this amount of courses is, almost in itself, a confession of poor quality. The former dean of one of the largest Latin American faculties of economics puts the simplification of curricula third in the list of necessary reforms, following only the question of full-time students and full-time professors. It is significant that the list of schools of economics which have limited student entrance and have achieved a high proportion of full-time students and professors is practically identical with the list of schools which have rigorously pruned the curriculum to manageable proportions. The inverse correlation between quality of instruction and quantity of courses is dramatically illustrated by the remark of one dean to the effect that every time he was able to secure an additional full-time professor, he dropped a course from the curriculum.

What subjects should be retained in the economics curriculum?

The present Mission does not believe that it is wise or profitable to set up some hypothetical ideal curriculum for training for the basic (first) academic degree. This is a matter of judgement for individual faculties, individual regions and individual times. Nevertheless there are a few guiding principles which might be mentioned. If there are mathematical courses in the curriculum, the mathematics should be articulated with economics to show its actual application. If economic theory forms an important part of the programme, as indeed it should, common sense would seem to dictate that beginning students should not be immediately exposed to the most abstract and rarefied types of theory. The student should be led along gently into more difficult theory with ample reference to the application of the analysis to the surrounding economy. Somewhere in the curriculum - opinions will differ as to whether earlier or later - there is an important place for the overall view of the economy that national income analysis, input-output tables and a view of the flow of funds, inter alia can present.

In any event, there are other more important matters than the names of the courses. The content of the courses, the quality of the instruction, the receptiveness and effort of the student - these are all critical factors. But what is most important in the long run is the acquisition of the economic approach to problems. This approach implies several things.

/It means

It means in the first place the overcoming of personal bias, provincialism, prejudice, the adoption of a general or "public" view of problems. It also means a painstaking effort to marshall all relevant facts, refusing to be content with long-range inferences, as well as resisting the temptation to make daring and dramatic generalizations upon scanty evidence. It also means the use of certain rather general economic tests, such as the test of costs or alternative uses, the consistency of prices, etc. In short, the greatest value of a good economic education is the way of thinking and the methods of attacking a problem which it conveys. Much of the factual information will prove ephemeral; details of university courses will be forgotten. Viewed in this perspective, in the long run, the list of courses in economics is not as important a factor in the quality of economic education as the life-time habits which it engenders.

Economic degrees or titles

When we come to consider the mere designation of the basic academic degree, we have come a long way from the discussion of the cosmic purpose of economics, with which this chapter began. What's in a name? Nothing, of course. And yet the confusing variety of terms for the basic academic degree could be vastly improved upon. There are no less than six terms being used in various parts of Latin America to refer to essentially the same degree: 1. Licenciado (Universities of Mexico and of Venezuela up to the present time, and a number of others); 2. Bacharel em Ciencias Economicas (Brazil); 3. Contador Público (Argentina and Uruguay); 4. Ingeniero Comercial (University of Chile and, in the future, also San Marcos, Peru); 5. Doctor en Ciencias Económicas (Colombia and many others); 6. Economista (Ecuador, and Los Andes, Colombia).

Of these various designations, Contador Público is plainly inappropriate for an economist and should be abandoned. 3/ Bacharel (bachiller) is misleading because of its simultaneous use in Brazil as a university degree

3/ The title Contador Público, used in Argentina and Uruguay, gives rise to confusion. It is the basic degree in the career of an economist, but there are higher degrees - those of licenciado and doctor in Córdoba and Buenos Aires and of doctor in Uruguay. The University of Buenos Aires recently made a distinction between the professional training courses for contadores and economistas.

/and its

and its special use in some countries for the graduate of a secondary school. Ingeniero strikes one as odd for an economist. Doctor would involve an unfortunate confusion, if plans at several universities for an advanced degree (somewhat resembling the European and North American Ph.D) actually come to fruition. Licenciado is used to denote the first degree in some places and a more advanced degree in others. Perhaps Economista lends itself to the least ambiguity. While mere names are not a fundamental matter, it is to be hoped that some standard nomenclature can be evolved from this welter of terms.

2. Teaching methods and related matters

Lecturing

The traditional method of instruction in economics (and for that matter in most subjects) in Latin America has been through lectures to large classes. This system seems to have been taken over originally from the Continental, and particularly the French, universities, probably without thought of there being any alternative. Today it persists partly through tradition or inertia, but partly too because those universities which cannot or do not limit entrance find this the only way of coping with the great masses of students. We will presently describe some significant departures from the lecture system in a number of Latin American schools of economics,usually, of course, those which are able to select their students.

Where the lecture system does prevail, there are a number of accompanying characteristics which show its defects. A lecture to a large class, provided it is a good lecture falling upon attentive ears, is not necessarily intrinsically bad. One of the most frequent accompaniments of the lecture, however, is that there is no other contact between professor and student. This depersonalizing of education tends to take the realism and life out of learning, which should be a vital and lively pursuit. In some of the largest universities, we are told, some professors voluntarily arrange to meet the students in smaller groups. But with part-time on the part of both students and faculty, and with the low salaries frequently paid to professors, both the opportunity and the motivation for this voluntary service are usually lacking.

Student absenteeism

Absenteeism on the part of students is very prevalent in the larger universities. In part it is ascribable to the impersonalism of lecturing and in part to the failure of professors to appear regularly. But there are other contributing factors. For one thing, a distinction is sometimes made by the universities themselves between "theoretical" and "practical" classes, and attendance upon lectures in the former is made optional. Absence from lectures is also encouraged if the content of the lectures is diluted or antiquated, or if the only knowledge necessary for passing examinations is to be had from lecture notes, frequently available in informally or formally published form. The final blows to motivation on the part of students are delivered if, as is the case sometimes, the lecture system is accompanied by infrequent examinations (for example, only once a year at the end of the course), and if the examination is private, oral and brief. 4/ Precisely this situation in all or virtually all of these respects prevails in those universities of Latin America which account for the greatest number of students.

Some results of the lecturing system and absences

A certain leader in economic education in Mexico, also generally recognized as a kind of intellectual mentor in the country, is responsible for the following description of the lecturing system. A professor of say "80 per cent quality" gives a lecture of which the student manages to record one half in his notes, i.e., 40 per cent of the full and true information. Half of what the student writes down, however, is a wrong recording of what the professor said; and of the half which is correct, the student forgets half. On examination, therefore, the student delivers 10 per cent of the truth.

4/ This refers to the single, final examination for advancement in each subject and excludes partial tests. But it is not considered advisable for frequent opportunities to be given to students to take the final examination during the academic year, as happens in some universities. The Mission feels that this is a disturbing factor in the orderly development of the courses.

/There may

There may be some degree of rhetorical exaggeration in this. But a survey made in one of the largest South American universities recently showed that, of the more than 10,000 students in the faculty of economics, 70 to 80 per cent did not attend the theoretical lectures, only 24 per cent worked regularly on their studies, and 87 per cent never consulted their professors. With results such as these, there is small wonder that student groups generally expressed to members of this Mission their discontent with the lecturing system.

Alternatives to the lecturing system

Where admission can be controlled in some way or other, lecturing may be continued but with important supplements. Thus, in a large theory course at the University of Sao Paulo with 125 students, the professor is provided with three full-time assistants and six "monitors". This arrangement permits the division of the students into small groups for discussion of the lecture and prescribed reading material, as well as the preparation of individual papers.

At the University of Minas Gerais (Belo Horizonte) the lecturing system also continues; but fellowships are provided for 28 of the best students by an Institute of Economic, Political, and Social Science (subsidized by private industries and banks). These students are able to devote their full time to study and are taught by full-time professors. At the University of Brazil, an Institute of Social Sciences provides fellowships for 20 full-time students, selected from the second and third years. The grouping of a small number of intellectually élite students in these cases is a useful device in the short run for providing the country with some really well-trained young economists. In the longer run, it would be more democratic if the number, while still carefully selected, could be increased.

In universities to which admission is not limited, the problem of supplementing lecturing is difficult. At the University of Buenos Aires, a system is being tried on a voluntary basis under which a small number of students (60-100) are relieved of the general oral final examinations but study in close association with their professors. The course is divided into three periods with a partial test in writing at the end of each period. Students failing in any of these must submit to an oral examination which

/determines whether

determines whether or not they may remain in the course. The aim of the course is to give a small number of students special training; the extra effort on the part of the student is supposed to be elicited by providing a substitute for final examinations.

In schools of economics with very limited entrance and full-time students, such as those at the Universities of Chile, El Valle, Los Andes and Nuevo León, the impersonality of the educational system has vanished, along with the lecture to large classes. At the School of Economics of the University of Chile, where individual attention to the student seems to have progressed farthest, the academic life of the student is marked by the following features:

(1) A small but fairly good library with the shelves open to students;

(2) Dormitories in the neighbourhood accommodating 10 per cent of the student body;

(3) Weekly individual conferences with students conducted by young assistants, including questioning on lectures and prescribed reading;

(4) Fellowships which are provided to the poorest 10 per cent of the students from funds contributed by the 90 per cent with higher incomes;

(5) An adviser for every student in his first semester on courses and school matters, the adviser being drawn from the faculty or advanced students;

(6) Student self-help in supervising dormitories, mimeograph operation, etc.

Assignments and examinations

Not all of the features of the school just mentioned will be possible in the very large universities, and yet there is one reform which would not entail great expenditure and which might do much to improve student morale: the institution of regular assignments of reading or other work and of frequent written examinations. These measures were among the recommendations made within recent years by the College of Economists of Mexico. Very many - perhaps most - Latin American universities impart instruction by lectures with no further work on the part of students

/beyond sufficient

beyond sufficient acquaintance with the content of the lectures to be able to pass a single examination at the end of the year. If the course is very large, the examination may be oral and may last no more than ten minutes. It is a substantial gain if, as at the Universities of Sao Paulo and Rio de Janeiro, examinations are held at least twice a year and are written. Smaller schools have introduced not only still more frequent written examinations, but also student papers, small research projects, etc.

Examinations are, however, not very constructive in and of themselves: they test knowledge and improve morale but do not educate. The day-to-day serious application of the student to learning can scarcely be secured unless - also from day to day - he reads industriously. This involves two requirements. (1) The student must be induced to read by frequent assignments of specific sections or chapters. The task must be quite definite and must be possible to perform within a reasonable amount of time. The Departments of Economics at Belo Horizonte, University of Chile, El Valle, Los Andes and Nuevo León and others have gone over to this system. (2) Like the children of Israel who could not make bricks without straw, students cannot study without books.

Libraries, textbooks, and other materials for student use

There is a striking contrast between the spectacle presented by several magnificent "university cities" in Latin America and the meagre libraries. If Cardinal Newman was right in saying that "a university is a collection of books", these are cities but not universities. This ironical situation seldom - perhaps never - results from a choice on the part of a faculty, but from a decision of the Government or legislature. If present-day scholarship is impoverished by a decision to give precedence to bricks and stone over professors and books, these beautiful buildings have at least a symbolic value in demonstrating respect for higher learning, and they provide the physical basis of great universities in the future. Good libraries require not only considerable financial expenditure, but also care and patience on the part of someone with a good training in the particular field concerned, e.g., economics.

Even if the economists feel that their library is reasonably adequate, as, for example, at Montevideo and Sao Paulo, it may suffer from a lack of

/multiple copies

multiple copies, and these are essential for the success of the practice of regular assignments in economics courses. This shortcoming may be overcome, at least in part, in more than one way. At the University of Belo Horizonte, the faculty, as mentioned earlier, produces a series of summaries of the subject matter of courses.

A difficulty, not to be overcome so easily however, is the paucity of good translations of texts and basic reference books in Spanish and Portuguese. (It should not be forgotten that about one-third of the population of Latin America lives in the Portuguese language area). Well-known publishing houses in Mexico City, Buenos Aires, and Madrid have translated a substantial number of economic works. Occasionally one hears complaints concerning the accuracy of translations; but on the whole they have been very welcome. More translations into Spanish and Portuguese would have a kind of "multiplier effect" in higher education in economics.

What is even more basic, the training of economics students in English would seem almost indispensable for advanced work of any kind. Latin American universities do not, generally speaking, offer courses in modern languages, although the preparatory schools seem to do more than the typical high school in the United States. Nevertheless, few Latin American university students have a sufficient mastery of English to be able to read the literature of economics. In consequence, some departments, such as those of the University of Chile, El Valle and Nuevo León, are offering or arranging for courses in English. In the longer run, as the quantity of translated material and of original work in Spanish and Portuguese increases, the need for English will be less imperative.

Training in research

If a university curriculum is designed to turn out professional economists for useful work in governments, private business, or the international agencies it should include some training in research. A beginning in this direction is made when the faculty of economics requires for the basic academic degree not only the successful completion of a certain number of years of courses and lectures, but the presentation of a thesis, as for example, at the Universities of Chile, Costa Rica, Ecuador and Los Andes.[5/] With the exception of Costa Rica, these same universities require

5/ In other universities, e.g., in Argentina, a thesis is required for the degree of doctor.

/the student

the student to participate, as a condition for receiving the degree, in research seminars, in two of the cases organized by the School of Economics, and in the other by the Institute of Economic Research.

Where the quality of the students and the character of institutional arrangements permit, students are sometimes hired in the research institutes of the universities. Outside the universities, the most widespread research opportunities seem to be found in the central banks. At the Bank of Mexico the employment of students is so regular a phenomenon in the Research Division that remuneration is graded according to the university year from which the student is drawn. If a student is compelled to work for a living, economic research is the kind of employment which, in all probability, makes the most direct contribution to his professional advancement.

The human side: student motivation

The successful education of the professional economist requires more than good libraries, comfortable buildings, alert and scholarly instructors, and sensible curricula. The student must want to learn, and he must have the energy and resolution to do so. In virtually every city in which the present Mission made enquiries, it was informed that there was a good market for good economists, as has been stated repeatedly. But all too frequently there were also reports of excessive absence from university classes, lack of enthusiasm, and perfunctory or little effort on the part of students.

Earlier sections of this report have quoted some of the reasons: excessive outside work, leaving the student with little energy for study; the conviction of students that their professors are poorly qualified; irregualr performance by professors and their unavailability for personal contacts; curricula ill adapted to students' needs, and courses with little relevance to the actual environment in which the student lives; frustrations in attempts to obtain or use scarce library materials, etc.

In addition to these formal, sometimes material, matters, there are some more subtle factors at work. The lecturing system is apt to produce a feeling of impersonality and even of remoteness as regards the subject matter. More direct human relations are necessary to affect it. All too often the only tangible evidence of university life is football matches, purely social events and political activities directed towards the university.

/Faculties of

Faculties of economics need to take some measures to encourage intellectual exchange and discussion among their students. Young economists can potentially learn as much from each other as from their professors. Dormitories can contribute to this end. But in default of this material basis, student life can be enriched by student cooperative efforts in a number of activities, by competitions, small prizes and honours, and by faculty participation in certain student activities. In short, the student should not feel that he is simply being "processed" by an impersonal organization, but that he is worthy of respect in a community of scholars.

3. Conclusions

With respect to curricula the Mission found that some faculties of economics in Latin America fail to keep their courses abreast of the time and in close contact with the national economy in which they live. Part of the reason for a lack of proper respect for economics in some places is that it has not sufficiently exploited, for the citizen and for the student, its capacity to help in the problems of economic development which confront all nations of this continent.

So far as curricula are concerned, economics must be differentiated not only from law, but also from accounting, business administration, public administration, etc. One educational plan cannot possibly serve all these ends. In order to be able to design courses of study well adapted to the particular time and place, faculties should enjoy autonomy; some flexibility in the choice of courses is also desirable for individual students.

Latin American faculties of economics attempt to cover too many subjects in the course of a year. Cutting the number in half with greater concentration on each would improve the quality of graduates. Among the courses retained there should be some which, like a system of social accounts, give an overall view of the economy. But there is no point in trying to formulate an ideal curriculum, for this must be worked out by every faculty for itself. Whatever the particular courses, the aim of economic education is chiefly to instil an objective, analytical, and fairminded approach to practical problems.

As regards teaching methods, the Mission has been impressed by the

/disadvantages entailed

disadvantages entailed by the lecturing system as the only (or virtually only) method of instruction used in some departments. But it has also been impressed by the efforts made, even in some universities with relatively large enrolments, to supplement the lectures with small discussion groups, more frequent examinations, class papers and theses, etc. The effort to select a small number of very able students and to assist them in studying full time by means of fellowships seems to produce young economists of high quality wherever it has been introduced. But it is to be hoped that the system can be made somewhat more democratic through the gradual extension of scholarships coupled with full-time students and faculty staff.

The Mission has found that good results usually follow the introduction of reading lists and definite assignments for the day-to-day course work. If students are to be led away from the old system under which they did nothing more than merely study the lecture notes (and that perhaps only once or twice a year in each course), not only must there be definite assignements, but the prescribed books or reproduced materials must also be available without unreasonable waiting and expense. More translations into Spanish and Portuguese are desirable, but more students with a working knowledge of English would also raise the general level of economics.

The aim in economic education should of course be to intensify the students' knowledge of the fundamentals of the science; but this should not be a passive process of absorbing facts. The student's analytical and critical faculties, developed in discussions, papers, debate and research, are possibly an even more important part of his equipment.

In view of the unsatisfactory state of undergraduate education in economics in Latin America, academic graduate study and refresher courses both inside and outside the universities assume quite special importance.

In conclusion, the Mission would like to express the conviction that a vast improvement in undergraduate education can be made in both curricula and teaching methods in many instances without much financial cost. Additional books and assistants do indeed cost something, though not much compared to buildings and stadia. The principal costs of reform in curriculum and teaching are those of breaking with tradition and striking out boldly on new paths.

/Chapter IV

Chapter IV

ADVANCED STUDIES AND RESEARCH

1. Advanced studies

In Latin America it is not customary to distinguish, as in North American universities, between undergraduate and graduate studies. The courses to which the present chapter refers are those which in Latin America are called "post-graduate" and are held after the basic university curriculum is finished. Post-graduate courses do not form a part of the regular studies for an academic or professional degree, as in the United States.

The School of Latin American Economic Studies for Graduates (ESCOLATINA)

The school was inaugurated in 1957. From the outset, it was intended as a centre for students from all parts of Latin America and not from Chile alone; its aim has been realized thanks to the assistance given by the University of Chile itself, by the Rockefeller Foundation and lastly by the Organization of American States through its Fellowships Department. National institutions in other countries have also shown a desire to profit from the facilities which the centre has to offer by sending their own graduates to pursue specialized studies there.

For the 1960 academic year, 60 requests for admission were received and 25[1/] accepted. These enrolments, together with the second-year students, add up to a total of 47 students from 11 Latin American countries, 17 of whom are specializing in economic development and 7 in agronomy. The students are full-time and are therefore expected to devote themselves to study and research to the exclusion of all other activities. The school has a teaching staff of both Chilean and foreign extraction, all holding full-time posts in the Faculty of Economics of the University of Chile.

"The school is intended to give instruction of a high scientific standard in the fields of economics and management and in research techniques, in order to train its students in the knowledge and understanding of these sciences and of their relation to economic problems in Latin America. It

1/ Most of the information given here on the School of Latin American Economic Studies for Graduates, including the paragraph in inverted commas, has been published in the School prospectus for 1961.

/specializes in

specializes in economics and management and gives complete two-year courses for graduates; in certain cases the courses may be prolonged for more than two years."

The curriculum comprises an introductory course of one semester for all students; a basic course of one semester, which differs according to whether economics or management is being taken, and an optional course, of two or three semesters depending on the student's marks. The introductory course includes economic theory, mathematics, statistics and economic history. The basic course comprises two compulsory subjects, plus the compulsory subjects in the branch which the student has chosen as his specialty. The former are economic history and statistics and mathematics; one example of the latter is the advanced course in economic analysis. "At the beginning of the basic course, each student is assigned a tutor to help him in his specialty, direct and guide him in a seminar or a course of lectures in his field of specialization and supervise him in the preparation of this thesis." The optional courses correspond to the different subjects offered by the school.

During his second year, the student has to prepare a thesis. The final examination is mainly related to the subject in which the student has decided to specialize; he is examined by a commission, presided over by the dean of the Faculty of Economics of the University of Chile, and further composed of the director of the school, the tutor and two other members of the faculty, chosen by the dean from among those who teach the special subject taken by the candidate. If the student passes the examination, he is entitled to a diploma in his field of study.

Centre for Economic Planning

Another subsidiary body of the Faculty of Economics of the University of Chile is the Centre for Economic Planning, which was opened in 1959 to train professionals working in public organizations in the preparation and execution of economic development programmes, and regional programmes in particular. The Centre receives graduates from different professional fields who are engaged in programming economic development, especially economists, architects, engineers and agronomists.

The Centre has 10 students in 1960 distributed among the professions as follows: 3 civil engineers, 1 architect, 1 medical doctor, 2 agronomists, 2 economists and 1 educationist. They attend classes and round-table

/discussions, and

discussions, and work as a team in programming the development of a specific geographic area in Chile. This year, for instance, they are drawing up a development programme for the Concepción area, which was affected by the earthquakes that took place in Chile last May. The Centre's teaching staff has been reinforced by the addition of two experts sent by the Organization of American States for some months of 1960. The course lasts for a year and a diploma is presented to the students who complete it. Classes are given on economic analysis, sociology, statistics and economic development, and are supplemented, as already stated, by lectures, short courses and round-table discussions.

Inter-American Training Centre for Economic and Financial Statistics

This Centre was created by the Inter-American Economic and Social Council on 16 June 1952, and began to function at Santiago in January 1953 as project N° 10 of the OAS Technical Co-operation Programme and, through the OAS, as a dependency of both the Inter-American Statistical Institute and the University of Chile, the latter being represented by the faculty of economics whose dean presides over the Centre's board of governors.

Since its inception, the Centre has offered a "complete course" and "optional courses" of 11 months' duration designed to give specialized instruction in economic and financial statistics, mainly to Latin American graduates who attend the complete course and hold OAS fellowships (one per country), and also to a few holders of fellowships granted by national organizations in the different countries. Thus, the "complete course" in 1960 was taken by 36 full-time students who were taught by 9 persons, all working exclusively for the Centre.

ECLA/TAO Economic Development Training Programme

In 1952 the Economic Commission for Latin America and the United Nations Bureau of Technical Assistance Operations initiated a training programme designed to familiarize Latin American technicians with the formulation, presentation and evaluation of plans and projects and with the problems of economic development of the region.

The basis of the programme is that the preparation of plans and projects is a joint responsibility. Training in these activities is provided both for technicians who may become specialists in the field, and at a less specialized level. ECLA and the TAO offer an eight months' course annually in Santiago

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for a selected group of graduates in economics, engineering and agronomy from Latin America, and several three-month courses in the countries requesting them, open only to the technicians of the country where the course is offered. Between 14 to 20 students participate in the Santiago programme and from 40 to 60 attend each intensive country course. In 1960, five such courses were offered (Bolivia, Brazil, Colombia, Mexico and Uruguay).

The Santiago programme involves three to four hours of lectures daily and two hours of seminars, making a total of a minimum of 800 hours of classroom training during 8 months. Students have reading assignments said to be equivalent to the post-graduate level in North American and European universities. The programme begins with the presentation of national income accounting, inter-industry relations, sources and uses of investment funds, balance of payments, fiscal budgets, index numbers and correlation analysis. It continues with the theory of economic development and the experience of selected countries from within and outside the region. Thereafter, training is concentrated on various aspects and the techniques of programming.

The intensive courses held in various Latin American countries have a content similar to the Santiago programme; they include also a series of four or five lectures on selected national problems by experts from the country. Normally these programmes provide 360 hours of classroom training to the full-time, and 240 hours to the part-time, participants. All participants must attend at least 90 per cent of the lectures and seminars and those registered as full-time must sit examinations in the five basic topics of the programme (social accounting, economic development theory and programming, project presentation and evaluation, financing and administration). For this purpose all lectures are mimeographed and distributed to the students.

Latin American Centre for Monetary Studies (CEMLA)

This Centre was established as the outcome of a proposal put forward by the Banco de Mexico at the Second Meeting of Technicians of Central Banks of the American Continent, held at Santiago, Chile, in December 1949. The idea took final shape at the third meeting (Havana, Cuba, February-March 1952). The central banks are associate members of the Centre, which also has two cooperating members, i.e. the Economic Commission for Latin America (ECLA) and the French Institute of Applied Economics (Paris, France).

/The Centre,

The Centre, whose headquarters is at Mexico City, has been in operation for seven years, and combines teaching with research. It has its own staff of teachers and research workers, as well as teachers on special contracts for particular courses. The students are fellowship-holders selected with the assistance of the central banks, mainly from the banks' technical staffs. Up to now about 240 such officials have taken the course, which lasts for a year, and consists of lectures, seminars, round-table discussions and practical work. The students attend on a full-time basis. Although the course concentrates on monetary and banking matters, more general aspects of economic theory and policy are also studied.

The Centre is also an observation point for the economic situation in Latin America, and publishes a fortnightly bulletin (with a monthly supplement) and an annual report on the monetary aspects of the Latin American economies. It also publishes some of the courses given, and other technical works it considers of special interest.

Graduate Department of the Faculty of Economics, University of Buenos Aires

This Department has been in operation since 1958. In 1959, more than 900 students matriculated for the courses held from August to November; the only economics courses were those in political economy and economic policy. Of the total number admitted, 300 finished the courses. The disparities in the level of the students seemed to be the main reason for their defection, since some of them found the courses rather elementary while others considered them to be quite difficult. Those who enrol for the management and accountancy courses often leave after the aspects in which they are particularly interested have been discussed.

Students who have been present at not less than 75 per cent of the classes are entitled to a certificate of attendance. A certificate is also given when they pass their examinations. The curriculum for 1960 comprises regular courses, short courses, seminars, an intensive course on economic development, a productivity course and lectures. The regular courses are given on Mondays to Fridays, from 7 to 9 p.m.; eight or ten short courses of five months' duration are also held in the form of two hours of classes weekly. The executive board of the faculty decides every year what courses are to be given.

With respect to the seminars, it was decided to set up working groups on the following topics: the common market, savings and investment, and financing

/of a

of a housing plan. A seminar on basic economic theory is also to be held for the analysis of investment and regional programming criteria.[2/]

The intensive course on economic development "will be based on the courses organized by ECLA in this faculty in 1958 and 1959. The number of participants will be limited as follows: (a) 30 in the complete courses; (b) 50 in the part-time courses; (c) 20 in the partial courses. The average number of classes will be 20 to 25 hours for each basic subject. The total duration of the course will be 20 weeks."

Order of Economists at Sao Paulo, Brazil

The Order of Economists (a professional association) of Sao Paulo has, from time to time, organized extension courses of not more than three months in duration, with one or two meetings a week, but, as already explained, these do not constitute a regular programme.

State University of Sao Paulo

In 1959, this university offered for the first time a two-year course leading to a doctorate. The assistant professors who enrol are full-time. They devote their time during the minimum two-year period to the preparation of a thesis; this is reported on by five persons and has to be defended in public. The 41 students matriculated are divided as follows: 23 in economies (22 of whom are assistant professors), 2 in actuarial work and the remainder in management and accountancy. The faculty hopes that this programme will provide it with a body of professors all of whom have the degree of doctor. Six are expected to graduate in 1960.

In 1961, apart from the doctorate course, it is planned to start specialized evening courses for graduates; 11 different courses are to be given during two semesters, and if the results are favourable, will be extended to two more semesters. Thus, if a student taking a specialized course wishes to prepare his doctorate, he may do so by submitting a thesis. At the end of the courses, the title of specialist in economics, management and accountancy, respectively, is conferred upon the students.

2/ Most of the information contained in this report may be found in the leaflet Departamento de Graduados, 1960 of the Faculty of Economics, University of Buenos Aires.

/Post-Graduate School

Post-Graduate School of Social Sciences, Sao Paulo, Foundation of Sociology and Political Science

This institution, which was not visited by the Mission, has two divisions: (1) anthropology and sociology and (2) economics. It offers a master's degree in social sciences; but the number granted has been small and the degree is virtually unknown in Latin America. For this degree, a minimum of two years' preparation and the full-time attendance of the student are required; he must also attend classes, reach a certain standard of marks, prepare a paper in the form of a research project, spend a certain amount of time on practical work in his specialty and write and defend a thesis based on data obtained in the course of his practical work.

According to the 1959 Yearbook, the subjects covered in the first semester (2 March-30 June) of 1959 were: monetary and fiscal policies and economic stabilization, economic development and industrialization, and the budget as an instrument in economic development programming. In the second semester (3 August-30 November) the following were dealt with: macroeconomic theory, economic development programming, and the theory and application of linear programming.

The Yearbook also states that the institution has several fellows of the National Campaign for the Advanced Training of Senior Personnel (CAPES), of the OAS, of the Rockefeller Foundation and of the Fulbright Commission.

It was explained to the Mission that the courses are not the same every year, but vary in accordance with the specialties of the professors available, especially those who come from the United States. The master's degree is not officially recognized in Brazil, or for that matter elsewhere. The students received by the school may be bachelors in any branch, but, although the degree of master has been conferred upon them, they may not practise as economists, since the profession is limited by law to such persons as have obtained the degree of Bachelor of Economics.

National Economic Council, Rio de Janeiro, Brazil

This institution, which functions at Rio de Janeiro, is authorized to express opinions on bills on economic matters that are sent to Congress, and on matters in the same field at the request of other institutions. Since 1953, this body has given a graduate course of one year's duration (March to December), which is not confined to economists, being attended by engineers,

/lawyers and

lawyers and agronomists as well. Classes in theory and practice are given and a minimum attendance of 75 per cent is required. At the end, a certificate of attendance is given.

The courses "are primarily intended to give economists, who provide advisory services to various institutions for study, or prospective participants in such institutions, whether public or private, a command of modern economic analysis techniques in order to fit them for the exercise of their profession."[3/]

The syllabus includes mathematics, statistics; microeconomics (theory of the consumer, theory of the enterprise); macroeconomics (social accounting, monetary theory and policy, theory of the determination of national income, fiscal policy, international trade) and economic development. Special courses are also given in linear programming, location theory, introduction to econometrics and techniques of project-making.

The Council invites State institutions to send fellows to study there. In 1960, 80 were enrolled, of whom at least half are expected to complete the course; only five of them are full-time students. All the professors have spent one or two academic years studying abroad, chiefly in the United States and the United Kingdom. Seventy per cent of the students are graduates in economics.

The basic purpose of the course seems to be to fill in the gaps in university teaching, and to give intensified instruction in a few subjects. On the whole, university students read very little; here, on the other hand, a reading list is drawn up. The method of teaching is based on lectures combined with selected reading. Moreover, as indicated elsewhere, university students take a large number of courses concurrently, which prevents them from becoming thoroughly knowledgeable in any one of them; at the Council, on the contrary, they have only two simultaneous courses.

The Council would like to attract professors from the schools of economics in Brazil in order to give them a course on economic theory plus their special subject. The Council's courses are obviously very well thought

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3/ See "Cursos de Análise Econômica", 1959, Revista do Conselho Nacional de Economia, Year VIII, N° 1, January and February 1959.

/of in

thought of in Brazil; approximately 400 students have enrolled since the inception of the Council and about 120 have graduated from it. As might be inferred from what has already been said, the courses are not designed for professional specialization.

Faculty of Economics, State of Guanabara

At this school, situated in Rio de Janeiro, a university extension course for graduates was initiated in 1960, comprising a cycle of about 50 lectures between May and November. The students are entitled to a certificate of attendance at the end of it.

Getulio Vargas Foundation

This Foundation, in Rio de Janeiro, has organized a two-year training programme in economics with the aid of Point IV. They will select 15 economists, and it is hoped to give the five most outstanding an additional year's training abroad on fellowships granted by the Foundation and Point IV. The Programme has been designed to cover two years, so that ten persons in all will be sent to the United States to study at the graduate level, one year being spent at the foundation and at least one more in the United States.

The Foundation is currently accepting economists who would like to be trained in research techniques, and others who stay for two or three months in order to see how the Foundation prepares its national income estimates.

Belo Horizonte, Brazil

In Belo Horizonte, the Faculty of Economics of the University of Minas Gerais, in collaboration with the Institute of Economic, Political and Social Sciences of Minas Gerais - an autonomous institution associated with the faculty - gives a course in economic analysis for graduate students at its Post-Graduate School, which began its activities in 1960. "The 1960 course is being held under the auspices of the following bodies: National Economic Development Bank, Banco do Nordeste, National Federation of Industry and National Campaign for the Advanced Training of Senior Personnel."[4]

The first article in the rules defines the aims of the course as follows: "The post-graduate course in economic analysis is intended to equip graduates of the courses in economic, political and social sciences with the necessary

4/ See Institute of Economic, Political and Social Sciences of Minas Gerais, Post-Graduate School, Course of Economic Analysis, 1960.

/knowledge and

knowledge and training to handle modern techniques of economic analysis, in order to prepare them for professional, scientific and teaching activities."

Enrolment for the course is limited to 60 persons for the first year, but the limit will be revised annually. The candidates will be selected by a commission designated by the director of the institute (who is also director of the faculty); their decision will be based on the background history of the candidate together with the results of his tests and personal interviews.

The syllabus of the course for the academic year 1960 covers 13 basic subjects in 7 to 30 hours each, and 7 supplementary subjects; the whole course lasts for six and a half months, from 15 April to 31 October. It includes classes, practical work and lectures. A minimum attendance of 80 per cent is required in the basic subjects and a minimum mark of 5 (out of 10) in each one. Those who obtain a minimum average mark of 6 in the basic subjects as a whole are entitled to a pass certificate.

Sixteen students are taking the course at present; all of them are full-time, and 10 are fellows of the Banco do Nordeste (4 economists, 4 lawyers and 2 accountants). The students have a good opinion of the course and of their professors, the latter being mainly young graduates who work full-time for the institute and faculty. The course is general and not specialized, thus following the pattern of those offered by the Council. Because of its nature and level in its inaugural year, it has no students who have recently graduated from the faculty after taking the normal course for a bachelor's degree in economics. The bank's fellowship holders explained, during an interview with the Mission, that the bank plans to send students to the University of Chile, to ECLA, and to the United States and Europe for professional specialization.

Central University of Venezuela

In 1961, a Centre for Development Studies will begin to function in the Central University of Venezuela at Caracas.

The University has a Council for the Development of Science and the Humanities, which is allotted a certain percentage of the University's overall budget for research, fellowships, publications, etc. The Council will provide more than 50 per cent of the funds for the Centre, and it is hoped that the remainder will be covered by contributions, mainly from public bodies that are interested in the work to be carried out by the Centre.

/In 1961

In 1961, 20 full-time students will be accepted to work for their doctorate; they will be taught by four professors, who will also be full-time. It is planned to take advantage of the presence of foreign experts, who are sent to Venezuela by international organizations or are contracted by the Government to request them to give classes at the Centre.

The main purpose of the Centre will apparently be to undertake regional programming studies. The teaching staff will consist of a professor of economics, a professor of physical planning and a professor of social planning; the director will presumably be an economist.

Although the Centre plans to have different teaching programmes, the Mission was told that the work is to begin next year, as explained in a previous paragraph, with a graduate course leading to a doctorate. This will aim at "producing highly skilled personnel, capable of assuming final responsibility for the formulation, programming and guidance of the county's social, economic and physical development. It will be open to professionals who have graduated from the Faculties of Agronomy, Architecture, Science, Law, Economics, Arts, Medicine, and Veterinary Science, or who have the corresponding academic qualifications, who are well versed in at least one foreign language (English, French, German, Italian or Russian), and who pass the entrance examination, which will be decided upon in due course."[5/]

The idea is to have full-time students who would remain at the Centre for two years at least, in addition to the time required to prepare their doctor's thesis.

Conclusions

In conclusion, the Mission considers that:

1. In many universities, it will be difficult to organize graduate teaching until a notable improvement has been effected in the normal course leading to the first degree in economics, the level of the former being generally dependent on the level of the latter.

2. Satisfactory post-graduate training is not, however, always incompatible with instruction of lower quality in the normal course for the first degree. This is especially true of faculties which have no enrolment limit and where the number of students is far too large for the physical and teaching facilities

5/ Central University of Venezuela, Centre of Development Studies, Final report, Caracas, May 1960.

/thereby making

thereby making satisfactory instruction impossible. At the graduate level, however, the best students might be selected and given adequate supplementary training, both general and specialized.

3. A solution, which has the support of all those who have been consulted, is the establishment of regional centres for graduate training. Hence, great satisfaction is felt with the School of Latin American Economic Studies for Graduates of the University of Chile, which has opened its doors to students from all parts of Latin America.

The existence of regional centres is not incompatible with the functioning of national graduate departments; it is, indeed, hoped that close collaboration will develop among them.

4. The graduate courses, leading to specialization or to more advanced training of a general nature, should not be confused with refresher courses, which are offered to persons who graduated some time ago and are anxious to bring themselves up-to-date in certain subjects. Both seem to be necessary. Their efficacy depends primarily on the standard of the teaching staff, on the one hand, and on the ability of the students and the time they are prepared to devote to studying, on the other. It should be frankly admitted that little can be expected of students who would like to acquire more knowledge but who have no other time to dedicate to this objective than their leisure hours at the end of a full day's work. It should also be recognized that it is not enough to have professors that are full-time; they should be well qualified as well.

Lastly, it should be remarked that, in the opinion of the Mission, the fact that the graduate courses prepare students for a degree does not in Latin America, guarantee anything as far as the level of instruction is concerned. Nor is the title of the degree a true indication of the standard reached by the students.

2. Research

The existence of research institutes in the faculties of economics of the Latin American universities dates back much farther than that of post-graduate courses. Even so, they have not developed to any considerable extent. In this respect the case of Chile constitutes an exception.

The Institute of Economics of the University of Chile, in the initial stage which began with its establishment in 1949 and ended with the

/re-organization effected

re-organization effected in 1955, was engaged chiefly in the calculation of the Chilean national accounts. Since the latter date, the Institute has expanded its activities to a noteworthy extent, while maintaining its character as a body devoted to basic research, and has come to possess a staff of approximately forty full-time economists, most of whom are professors and assistants in the School of Economics of the University of Chile. A great majority of these economists are graduates of this school itself; some took their degrees in United States or United Kingom universities, and several of those who qualified in Chile have pursued specialized courses of study, mainly in the United States, with fellowships financed essentially through the programme agreed upon by the Rockefeller Foundation and the University of Chile, in virtue of which the former institution has given valuable support to the development of the Institute, as well as to the University's School for Graduates mentioned above.

Research priorities are determined by the director in consultation with the heads of research projects; in this way, the "work teams" are organized and the annual distribution of the budget is effected.

In May 1956, the Economic Research Centre of the Catholic University of Chile, a dependency of the Faculty of Economics and Social Science, was created as the outcome of a contract between the International Co-operation Administration (Point IV) and the University of Chicago, and of an agreement between this latter and the Catholic University. At present the staff of the Centre consists of five professors of economics from the University of Chicago, whose time is spent entirely in research, and five Chilean economists with post-graduate training in Chicago, working full-time on both research and teaching in the School of Economics of the Catholic University. The topics for research are determined individually in accordance with the preferences of the research workers, and the projects are thus basically developed as personal undertakings. Although each individual is responsible for his own work, this does not of course preclude the convening of meetings of the whole staff to discuss and criticize both the work programmes and the findings that emerge with the progress of the research.

The Economic Development Study Centre of the Universidad de Los Andes, Bogotá, is in reality a research institute, which came into being two years ago and the staff of which numbers fourteen. The Rockefeller Foundation has

/substantially assisted

substantially assisted the development of this Centre, making it possible thereby for a United States economist to be appointed as director, and donating books and statistical mechanical equipment. The Centre also has a programme of fellowships to enable its staff to train abroad. To supplement its finances, the Centre has entered into contracts for research projects with public and private institutions in Colombia, and will continue to negotiate other such contracts in the future.

An aspect of its co-operation with the school that should be mentioned is its Assistants Programme, which the second annual report on the activities of the Centre (July 1960) describes as follows: "Students who have completed their courses in the faculties of economics are admitted on a four-month contract at a small salary (really a fellowship) and choose, develop, and complete a short piece of research. These projects also serve as degree theses in their faculties. Thus, advanced students are able to finish taking their degree, co-ordinated research is conducted, better theses are produced and a staff reserve is built up for the Centre."

Del Valle University (Cali, Colombia) has a Faculty of Economics, created in 1958, with a full-time teaching staff. Although no research institute exists as an establishment separate from the school itself, the full-time professors carry out research work, often with the help of students. The sources of financing are several, and include the Rockefeller Foundation and the Colombian Manufacturers Association. The most important of the projects on which these economists are working relates to agriculture in the Valle del Cauca, and is being carried out in close co-operation with the Valle del Cauca Corporation, a governmental development institution. They are taking an agricultural census and conducting research on production costs. The census covers a wide variety of subjects, such as the following: land tenure, fragmentation of property, types of crop farming, livestock inventories, livestock products, energy, machinery, topography.

The Economics Research Centre of the University of Nuevo León (Monterrey, Mexico) focuses its activities on basic research in the north-east of Mexico. The project consists in initiating the collection and classification of certain basic economic data, comprising, inter alia, an onerous piece of preparatory work relating to the calculation of the regional product which will include

/such data

such data as an evaluation of the units of physical production; estimated value of housing rentals, etc.; balance of payments for the area; and a two-year project, at present in its initial phase, for the evaluation of the area's water resources. On such foundations this new - and as yet small - Centre will build up to other levels of research: currency and banking, taxation, economic development, etc.

A basic idea of this Centre is that one of the great attractions of the full-time professorship is the possibility it gives for research activities, and that it is very advantageous if an institute or centre for research exists within the Faculty of Economics. This provides for an intimate and fruitful linking of economic research and the teaching of economics.

In the University of Costa Rica, the Department of Economic Research, founded in 1955, conducts studies on the country's economic development, social conditions in the capital, and land tenure. These projects are partly privately financed and partly publicly supported by the central Government, the Ministries of Public Works, Agriculture, and Economics, the National Council of Production, and the Central Bank. The support of the public bodies consists in part in supplying funds and in part in contributing personnel. Research is supervised by a full-time director with the help of seven economists and statisticians and five full-time assistants.

The economic research institutes of the Central University of Ecuador at Quito and the University of Guayaquil are staffed by a director and two or three permanent researchers with the part-time help of students holding fellowships from the municipalities or provinces. Since 1950 the institute at Quito, with the collaboration of the Guayaquil institute and of several employees of the Central Bank, has constructed an index of wholesale prices of the chief national products. The institute at Guayaquil (which the Mission did not visit) keeps an index of the cost of living of that city.

The State University of Sao Paulo, too, has no research institute, but the existence of a small body of full-time professors and assistants means that a certain amount of research is carried out within the faculty. It was mentioned to the Mission that both the university and the Order of Economists (a professional association) are planning to set up institutes.

The National University of Córdoba possesses an Institute of Economics and Finance which employs five part-time research workers, with whom six

/members of

members of the administrative staff collaborate. The Institute was created about ten years ago. It has published an estimate of the regional product for 1957. The five research workers form a sound team of young economists who, if they could devote themselves to full-time research, would constitute an excellent basis for a good institute.

Much the same is true of the institutes of the University of Uruguay, Montevideo, where about twelve part-time workers put in twenty hours a week. These too are young economists, with a real vocation for research, who, in different circumstances, could be of much more service to the university and to the country. Nevertheless, these institutes have published a series of papers which should be classified as "applied" or "specific" as distinct from "basic" research (national income, national resources, etc.).

In Rio de Janeiro, the Getulio Vargas Foundation, an autonomous institution subsidized by the Government, maintains the Brazilian Institute of Economics, primarily concerned with research on the national product. Its personnel comprises 30 economists and 20 administrative staff.

The Central University of Venezuela has an Institute of Economic Research which is engaged on an analysis of family budgets, and as part of this project has recently published a study of the incidence of rent on income (1960). The Institute's staff is very small. The directress works full-time; in addition, foreign professors have been contracted, but their teaching schedule is so heavy that they have very little time to give to the institute. Two such professors were available last year. Nine half-time trainees, whose fellowships are financed by the university, can also be called upon to assist in the research project referred to above.

To sum up, the foregoing description of some of the university centres for economic research in Latin America shows that, although they have not all reached the same stage of development, they are relatively numerous, and the level they have attained does not compare unfavourably with that achieved by the centres for basic and post-graduate studies. The institutes are often directed by competent young economists and their activities are generally sensibly channelled in the direction either of basic research projects, such as those relating to national income, natural resources and

/the economic

the economic structure of the country, or a variety of minor pieces of research on problems which have a more direct bearing on the economic policy of the countries concerned.

Stress must be laid on the obvious fact that in research, too, there is an economic problem, inasmuch as the resources available for its development are limited in comparison with the magnitude of the task confronting each country in this field. Needless to say, from the standpoint of economic development, "saving" on economic research and statistics is penny wise and pound foolish. But, in any case, in the opinion of the Mission, the limited supply of financial resources - which combines with the limited supply of basic statistics to constitute what are possibly the two most formidable obstacles to the expansion of these institutions and of their activities - makes it essential to fix priorities for the type of research to be undertaken by such institutes in the various Latin American countries. While acknowledging the difficulty of generalizing on the subject, the Mission considers that basic research should be given first priority. In the first place, there is a possibility that the institute may launch these projects and continue to be responsible for them for a time, but that they may subsequently be transferred to other public institutions, such as, for example, central banks, statistical services, etc. In many countries, the difficulty is to make a start, that is, to demonstrate the possibility of carrying out given studies. The trouble is often imputable to a lack of "know-how", and the universities are obviously better equipped to assume the responsbility for certain kinds of research which no one is prepared to initiate. In the second place, it is difficult to imagine that applied research can be carried very far unless the fundamental data supplied by basic research are available. Apart from this, it is unwise to try to learn to run before one can walk.

The subsequent development of the existing university institutes and the creation of others where as yet there are none seems to be only a matter of time as far as the Latin American universities are concerned, not only for the reasons adduced in the foregoing paragraphs, but thanks also to the growing recognition of the fact that research and teaching are two equally fundamental aspects - mutually complementary and mutually invigorating - of the educational process. What is more, in the special case of

/economics, and

economics, and particularly in view of the structure of the Latin American faculties and universities, the institutes seem to constitute a good institutional arrangement by which to obtain young and well qualified economists for full-time research and teaching, whose work and influence may gradually modify, at the rate at which circumstances permit, the structure of the faculties of economics.

/Annex I

Annex I

FACULTIES, SCHOOLS AND INSTITUTIONS VISITED BY THE MISSION

Argentina

Faculty of Economic Sciences of the University of Buenos Aires

Faculty of Economic Sciences of the University of Córdoba

Brazil

Faculty of Economic and Administrative Sciences of the University of Sao Paulo

Faculty of Economic Sciences of the University of Minas Gerais (Belo Horizonte)

Faculty of Economic Sciences of the State of Minas Guanabara (Rio de Janeiro)

Faculty of Economic Sciences of the University of Brazil (Rio de Janeiro)

Economists' Club (Rio de Janeiro)

National Company for the Advanced Training of Senior Staff (CAPES) (Rio de Janeiro)

National Economic Council (Rio de Janeiro)

Getulio Vargas Foundation (Rio de Janeiro)

Order of Economists (Sao Paulo)

Chile

Faculty of Economic Sciences of the University of Chile (Santiago)

Faculty of Economic Sciences of the Catholic University (Santiago)

Inter-American Training Centre for Economic and Financial Statistics (CIEF)

Colombia

Faculty of Economic Sciences of the National University (Bogotá)

Faculty of Economics of the University of Los Andes (Bogotá)

Faculty of Economics of Del Valle University (Cali)

Cauca Valley Development Corporation (Cali)

Costa Rica

School of Economic and Social Sciences of the University of Costa Rica (San José)

/Ecuador

Ecuador

Faculty of Economic Sciences of the Central University (Quito)

Mexico

School of Economics of the National Autonomous University of Mexico (Mexico City)

School of Economics of the Polytechnical Institute (Mexico City)

School of Accounting, Economics and Management of the Institute of Technology and Advanced Studies (Monterrey)

Research Department of the Bank of Mexico (Mexico City)

School of Economics of the University of Nuevo León (Monterrey)

Peru

Faculty of Economic Sciences of the University of San Marcos (Lima)

Faculty of Economic and Commercial Sciences of the Pontifical Catholic University (Lima)

Uruguay

Faculty of Economic and Administrative Sciences of the University of the Republic (Montevideo)

Venezuela

School of Economics of the Central University (Caracas)

School of Economics of the Andrés Bello Catholic University (Caracas)

College of Economists (Caracas)

Centre of Development Studies of the Central University (Caracas)

/Annex II

Annex II

SOME REPRESENTATIVE EXAMPLES OF CURRICULA

1. Curriculum with many subjects but which does not make a proper distinction between the various professional training courses

FACULTY OF ECONOMIC SCIENCES OF THE NATIONAL UNIVERSITY OF CORDOBA (ARGENTINA)

(a) For public accountants:

First year

Economics (first course)
Advanced accountancy (first course)
Complementary algebra
Civil law institutions
Economic geography

Second year

Economics (second course)
Advanced accountancy (second course)
Mathematical analysis
Constitutional and administrative law
Commercial law (first course)

Third year

Economics (third year)
Advanced accountancy (third course)
Methodological statistics
Finance (first course)
Commercial law (second course)

Fourth year

Economics (fourth course)
Advanced accountancy (fourth course)
Financial and actuarial mathematics
Finance (second course)
Commercial companies
Professional practice (first course)
Seminar

Fifth year

Transport and energy economics and policy
Professional practice (second course)
Public accountancy
Labour and social security economics
Business economics
Banking organization and techniques
Seminar

/(b) In order

(b) In order to qualify as a licenciado in economic sciences, the following are also necessary:

Econometrics

Monetary and banking economics and policy

Social and economic history

Economic policy

History of economic doctrines

Economic sociology

Seminar

(c) In order to obtain the degree of Doctor of Economic Sciences, the licenciado in Economic Sciences must take a test in translation from a foreign language and present a thesis.

(d) In order to qualify as actuaries, the following are necessary for public accountants:

Mathematics for actuaries

Actuarial mathematics

Mathematical statistics

Econometrics

Biometry

Seminar on a topic and practical work in each of the other subjects.

2. Curriculum with many subjects, including a separate professional training course in economics

SCHOOL OF ECONOMY OF THE CENTRAL UNIVERSITY
OF VENEZUELA

Evening course for economists

First year	Second year
Economic theory (I)	Calculus and financial mathematics
Mathematical analysis	Economic theory (II)
General accountancy (I)	Economic geography of Venezuela
General economic geography	Accountancy (II)
Sociology	Bases of public law
Mathematics (practical)	Accountancy (practical)
Accountancy (practical)	Mathematics (practical)
Economic theory (reading and discussion)	Economic theory (practical)

/Third year

Third year	Fourth year
Economic theory (III)	Economic statistics
General statistics	Company financing
Bases of private law	Social accountancy
Public administration	Industrial economics
History of economics	Monetary theory
Accountancy (III)	Distribution problems
Accountancy (practical)	Transport economics
Economic Theory (practical)	
Statistics: practical work	

Fifth year	Sixth year
Economic theory (IV): economic dynamics	Labour economics
Petroleum and mining economy	Economic theory (V): international economics
Theory of public finance	Analysis of economic theory
Markets	Economic development (II)
Economic development (I)	Economic problems in Venezuela
Agricultural economics	Public finance in Venezuela
History of the Venezuelan economy	Seminar on public and industrial relations
Seminar on budget and fiscal policy (optional)	Seminar
Seminar on banks (optional)	
Seminar on agricultural economics (optional)	

3. Curriculum with few subjects, including a separate professional training course in economics

UNIVERSITIES IN BRAZIL

Standard programme of studies established by Legislative Decree 7988 of 22 September 1945[1]

Course in economic sciences

First series	Second series
Subjects supplementary to mathematics	Structure of economic organizations
Political economy	Price value and formation (II)
Price value and formation (I)	Money and credit
General accountancy	Economic geography
Public law institutions	Structure and analysis of balance-sheets
	Private law institutions

1/ Some universities have regarded this official programme of studies as the compulsory minimum, and have therefore added other subjects.

/Third series

Third series	Fourth series
Distribution of social income	Evolution of the overall economy
International trade; exchange	Financial policy
Methodological statistics	History of economic theory
General history of economics and of Brazil	Comparative study of economic systems
Science of finance	Economic statistics
Science of administration	Sociological principles applied to economics

4. Curriculum with separate professional training courses, based on semesters and subjects open to selection

SCHOOL OF ECONOMICS OF THE UNIVERSITY OF CHILE

1st semester (for all specialities)2/	2nd semester (for all specialities)
Economic theory (1st part A)	Economic theory (1st part B)
Algebra and trigonometry (A)	Algebra and trigonometry (B)
Organization and administration (1st part)	Accountancy (A)
History of the humanities	Elements of law
3rd semester (for all specialities)2/	**4th semester (for all specialities)**
Economic theory (2nd part A)	Economic theory (2nd part B)
Calculus and analytical geometry (A)	Calculus and analytical geometry (B)
Accountancy (B)	Organization and management (2nd part)
One other subject	One other subject
5th semester	**6th semester**
A. Economics	A. Economics
Economic theory (3rd part A)	Economic theory (3rd part B)
Statistics (1st part A)	Monetary and banking theory (A)
Economic geography	Statistics (1st part B)
One other subject	One other subject
B. Organization and management	B. Organization and management
Labour law	Human relations
Statistics (1st part A)	Applied accountancy (B)
Applied accountancy (A)	Statistics (1st part B)
One other subject	Monetary and banking economy (A)

2/ The title of licenciado in economic sciences may be obtained without taking the courses in economics or organization and management.

/5th semester

5th semester (continued)

C. General course

Statistics (1st part A)

Economic geography

Two other subjects

7th semester

A. Economics

Public finance (A)

Monetary and banking economy (B)

Seminar

One other subject

B. Organization and management

Cost accountancy (A)

Industrial processes (A)

Seminar

Commercial and industrial law

C. General course

Monetary and banking economy (B)

Cost accountancy (A)

Seminar

One other subject

9th semester

A. Economics

Economic policy and organization

International economics (B)

Financial mathematics (A)

One other subject

B. Organization and management

Market analysis and sales promotion

Economic policy and organization

Financial mathematics (A)

One other subject

6th semester (continued)

C. General course

Monetary and banking economy (A)

Statistics (1st part B)

Two other subjects

8th semester

A. Economics

Public finance (B)

International economics (A)

Seminar

One other subject

B. Organization and management

Rationalization of procedures and methods

Cost accountancy (B)

Seminar

One other subject

C. General course

International economics (A)

Cost accountancy (B)

Seminar

One other subject

10th semester

A. Economics

Economic development

Three other subjects

B. Organization and management

Public administration

Auditing

Business finance

One other subject

/C. General course

C. General course

Economic policy and organization

International economics (B)

Financial mathematics (A)

One other subject

C. General course

Four other subjects

Courses for selection

3rd semester onwards

Sociology

History of economic theory

Tax law

4th semester onwards

Agronomy

Insurance economics

6th semester onwards

Statistics (2nd part A)

Pre-Seminar

7th semester onwards

Statistics (2nd part B) (formerly "Statistics (2nd part A)")

9th semester onwards

Fiscal policy (formerly "Public Finance (B)")

Industrial processes (B) (formerly "Industrial processes (A)")

10th semester

Financial mathematics (B)

Econometrics (formerly "Economic theory (3rd part B)")

Actuarial statistics

Annex III

SELECTIVE ADMISSION, ADMISSION QUOTAS, NUMBER OF SUBJECTS AND LENGTH OF COURSE

University	Selective admission	Quota	Number of subjects a/	Length of course (for degree)	Requirements for doctorate b/
Buenos Aires	No	No	33	5 1/2	1 1/2 years and thesis
Brazil (Rio de Janeiro)	Yes	Yes	23	4	Thesis
Andrés Bello Catholic (Caracas)	No	No	-	5	Thesis
Catholic of Chile (Santiago)	Yes	Yes	46	5	c/
Catholic of Peru (Lima)	Yes	No	43	6	Thesis
Catholic of Sao Paulo	Yes	Yes	23	4	Thesis
Chile (Santiago)	Yes	Yes	40	5	c/
Colombia (Bogotá)	Yes	Yes	41	4	Thesis
Córdoba (Argentina)	No	No	36	6	Thesis and foreign language
Costa Rica	Yes	Yes	33	5	c/
Ecuador (Quito)	Yes	Yes	33	5	Thesis, field work and 1 seminar
Del Valle (Cali)	Yes	Yes	-	5	c/
Guanabara (Rio de Janeiro)	Yes	Yes	23	4	Thesis
Los Andes (Bogotá)	Yes	Yes	45	4	c/
Mexico	No	No	36	5	c/
Minas Gerais	Yes	Yes	23	4	Thesis
San Marcos (Lima)	Yes	No	27	4	1 year and thesis
Sao Paulo	Yes	Yes	34	4	Thesis
Uruguay	No	No	-	4	Thesis
Venezuela	No	No	48	6	Thesis

a/ Including seminars.

b/ Some universities require the submission of a thesis or paper for a degree in economics, namely, the Universities of Chile, Los Andes, Ecuador, and Costa Rica.

c/ No doctorate granted.

/Annex IV

Annex IV

WASTAGE RATES (STUDENTS WHO GIVE UP THEIR STUDIES)[a]

University Schools of Economics	Percentage of first-year matriculated students who give up their studies
Andrés Bello Catholic (Caracas)	70
Buenos Aires	90
Brazil (Rio de Janeiro)	65
Catholic of Chile (Santiago)	25 b/
Catholic of Peru (Lima)	50 c/
Chile (Santiago)	60
Colombia (Bogotá)	65
Córdoba (Argentina)	90
Costa Rica	90
Ecuador (Quito)	80
Los Andes (Bogotá)	90
Mexico	80
Minas Gerais (B. Horizonte) (Brazil)	50
Sao Paulo (Brazil)	70
Venezuela	80

a/ Unofficial data obtained from interviews with university authorities. It should be noted that these rates are approximate, and do not correspond to a particular year; nevertheless, they should suffice to give an idea of the situation. Another point is that the criteria applied are not always the same, since in some cases the figures refer to students who do not attend the last year, and in others to those who do not take a degree.

b/ From the beginning of the third year.

c/ Between the first and second year.